An action research approach to supporting change management and associated governance strategies in a community services organisation.

by

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A dissertation submitted in fulfilment of the requirements for the degree of Doctor of Philosophy

School of Social Sciences
University of Western Sydney
June 2008
I certify that this thesis entitled **An action research approach to supporting change management and associated governance strategies in a community services organisation** and submitted for the degree of Doctor of Philosophy, is the result of my own research, except where otherwise acknowledged, and that this thesis (or any part of the same) has not been submitted for a higher degree to any other university or institution.

Signed: Ross Clifton

Date: June 2008
ACKNOWLEDGEMENTS

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ASSOCIATIONS INCORPORATIONS ACT 1984 – 34 END X 2

FUNDER PROVIDER FUNCTIONS (AULICH, 2002, P.5)

RGMCFEB01 MINUTES

RGSTJAN01 MINUTES

RGSTFEB02 MINUTES

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ABSTRACT

University of Western Sydney

An Action Research approach to supporting change management and associated governance strategies in a community services organisation.

Following a report on the Civil Society in the New Millennium Project, which was based upon the responses of citizens from forty-seven Commonwealth countries, a Compact Approach involving the state, intermediary organisations and citizens was developed in 1999, as a framework to enhance civil society. A literature review indicated that there was no research in Australia, as well as internationally, that had investigated the efficacy of this formalised agreement or Compact, particularly in a practical setting. The researcher had been working in the community services sector and had an interest in supporting community services organisations to meet the impact of change, particularly in response to government policy reform agendas. The Compact Approach was identified as a model to navigate change and develop partnerships with a civil society organisation operating in environments characterised by certainty as well as uncertainty.

The researcher made himself available to a case study organisation to support change and to investigate the Compact Approach by undertaking Action Research as a participant observer. This exploratory research involved two main reference groups, board and staff, in planning, acting, observing and reflecting. A large amount of data was generated and a need was identified for it to be collated and simplified for further analysis. A new methodology was developed drawing upon the traditions of case study method and story-telling to represent the research themes of: the Compact Approach; change management; and, governance.

With the Compact Approach what was found was evidence of some degree of civil society enhancement, particularly at the individual organisation level. As the study was undertaken from an organisation’s perspective the other dimensions of civil society and government had been underrepresented. It was found that government policy of promoting the market meant that competition was overshadowing co-
operation in the case study organisation. For community services organisations the main partner is government and policy frameworks need to support partnerships and civil society beyond current contractual agreements.

Carver’s (1997) Policy Governance framework was partially implemented to assist with infrastructure development. However there was a lack of time and a commitment from the board and senior staff. Not all governance responsibilities can be met through such a framework and community organisations need to be mindful of its limitations, particularly for those connected to civil society.

There were mixed results with Action Research being used as a change management tool. The dominance of power by those in ‘control’ highlighted management styles, but they also overshadowed group processes. Action Research methodology was also complemented by Stacey’s (1996) ordinary and extraordinary management framework. It was found that when applied to the Action Research cycle of planning, acting, observing and reflecting; that the process of reflecting was particularly supported by such conceptual mapping. What was also highlighted was the need for professionals to undertake ‘in the field’ Action Research but also to draw upon their professional or technical expertise, using participant-observer-consultant modes.

The capacity for a small community services organisation to change can be based upon levels of infrastructure, governance skills, available resources and level of development to operate at an associative level with other stakeholders. The viability of these smaller organisations is being challenged by the ‘managerialist’ business paradigms of government policy where the fabric of civil society has not been incorporated within accountability frameworks. Here there is a challenge for new frameworks such as the Compact Approach, to lead the way as formalised agreements with government, to enhance the role of civil society in the delivery of community services in countries such as Australia.
CHAPTER ONE
INTRODUCTION

In this chapter, changes in the community services sector in Australia are introduced, including Government policy directions, as they affect community based organisations. The role of the community meeting its own needs through a framework of civil society is discussed with reference to a Compact Approach. This involved partnerships between citizens, community services organisations and the government. The apparent lack research where the Compact Approach had been applied in a practical setting is identified as a subject area that requires further exploration.

1.1 Researcher’s Personal Position

I have been involved in Australian community services organisations for twenty years and have a particular interest in development processes related to organisational change. As a practitioner in the field, I have a professional interest in areas such as change management, quality assurance, strategic and business planning, policy development, infrastructure development and general service delivery operational and systems improvements. I have observed many changes over this period, much of which has been positive in terms of a wider scope of services for those who require them. There has also been a range of challenges experienced by the sector which have included smaller community services organisations facing an uncertain future. An environment of increasing accountabilities and responsibilities has also meant that those who govern both for-profit and not-for-profit organisations, have had to consider governance practices that have often been inconsistent with many of the traditions and practices that the community services have followed for several decades.

Assumptions are being made that community service organisations need to follow, more closely, the operating practices of corporations or businesses. Efficiencies and improvements are needed in organisations in all sectors and community services
organisations are no exception. In an environment of ‘doing more with less’, it can be argued that community services organisations have been leaders in making such changes. However, there are also significant differences between community service organisations and other businesses that are often not acknowledged and accounted for in management models and practices. It is my interest to further develop community service management models that are cognisant of ‘best practice’ that can be sourced crossing the boundaries of inside and outside the sector.

The rationale for undertaking this research was therefore influenced by my professional position, which has included a passion for meeting community needs, as well the limitations of my personal and professional paradigms and biases. My desire to state a case for community organisations against the tide of managerialist public policy directives fired my enthusiasm for this research project. This may have clouded my judgement and influenced the research process and outcomes. Noting such biases, this research project investigated management and governance models for community services organisations. The intention was to develop new frameworks where changes in the sector could facilitate implementing the aims of civil society.

Taking the position of an action researcher, being both a participant and an observer, I wanted to bridge theory and practice. Learning processes and strategies were also sought where an organisation was empowered to formulate and implement solutions that were not overly influenced by a management consultant in the role as researcher.

My intervention and involvement in the fieldwork has been recognised in this thesis as influencing the research process and results, with its benefits and limitations. In keeping with the Action Research methodology, this research has been a participatory process where the participants were also observers. The acquisition of new knowledge for the participants as well as the researcher was sought.

Albert Einstein once stated; “We cannot solve a problem with the same thinking that created the problem” (cited in Calaprice, 2000, p. 10). It was my position that new approaches to change management, governance and partnerships in the community services sector in Australia were needed. An intention of this exploratory research was
for the practical setting to inform new theoretical positions in the period of 2000-2001.
1.2 Community Services and an Ageing Australian Population

1.2.1 Setting the Scene

At the end of the twentieth century, the management theorist Peter Drucker (1999) stated that the dominant factor for business in the next 20 years (barring war, pestilence or collision with a comet) will not be economics or technology, it will be demographics. In Australia, demographic changes have included an ageing population. For example, the population aged 65 and over was 4.0% in 1901, increasing to 12.25% in 1998 and with a projection of 24.2% in 2051 (Australian Bureau of Statistics, 1999). The aged population (over 65), therefore, is expected to double between 1998 and 2051. Such a rate of change also challenges the ability of a country to meet expected increasing demands for aged care services. With the total health care spending in Australia since the mid-1970s remaining at around 8.5% of Gross Domestic Product (GDP – as a key financial indicator) until 2000 (Howe, 2000), problems with supply and demand would be anticipated if increases in spending to service sector areas such as community services, was not forthcoming.

In providing an historical analysis of the development of community services in Australia, Fitzgerald (2001) identified that throughout the 20th century, community services have responded to community service needs by adopting the ideology of developing services for the community, out of the community. For example, many of the aged care and disability services were originally established with support from community members. This was achieved predominantly with voluntary support from members of local communities and with minimal financial and infrastructure support from any other source, including Commonwealth and State governments. The main resource that was used was human capital in the form of voluntary labour and support.

1.2.2 The Profile of Community Services in Australia

Reference to community services (as opposed to other service areas such as health and education) in Australia prior to 2001 included support areas such as disability services, non-medical aged care services (such as home care for the frail aged), family support, youth accommodation, and crisis centres. Such services were becoming
increasingly accountable to Commonwealth and State Government departments (Lyons, 2001a), regardless of whether or not they were receiving funding from these sources. For example, a disability service relying primarily on volunteer support without government funding was still be required to meet State and/or Commonwealth Government disability services standards requirements. In the Australian State of New South Wales, such government departments included the Department of Community Services and the Department of Ageing, Disability and Home Care.

Community services were managed directly by government agencies and also by non-government organisations. For non-profit community services organisations, income revenue increased in the previous four-year period prior to 1999 by 50% to $5.7 billion whilst the number of organisations grew by 10% to 5396 as recorded in the 1999 Commonwealth Census (Australian Bureau of Statistics, 2000). The increase in funding being greater than the growth in the number of organisations raised the question as to whether the increases were spread evenly across all the service organisations. Lyons (2001a) suggested that this was not the case, but rather revenue increases were disproportionately gained by the large community services organisations.

Growth in the community services sector brought challenges, opportunities and threats with such changes in the operating environments. Smaller community services in particular may have not had the same resources to meet increasing infrastructure and accountability requirements. According to the Industry Commission (1995), a small community services organisation was one that received between $100,000 to $1,000,000 in annual funding. This did not include income from other sources such as fund-raising and fees. A very small organisation was one that received less than $100,000 in government funding per year.

1.2.3 Challenges for Community Organisations

Limited research was available in Australia as to how non-profit community organisations, smaller ones in particular, were dealing with the challenges outlined above. What might have constituted ‘opportunities’ for larger organisations may have
been perceived as ‘threats’ by smaller community services organisations. Bennett (1996) identified that size affected how a community services organisation was able to cope with change due to the available infrastructure resources, organisational profile, staff recruitment, funding opportunities and partnership opportunities.

‘Size does matter’ in a community services organisation. A critical issue, for smaller organisations in particular, was to evaluate and determine how large each organisation needed to be to maintain financial viability and be able to continue to implement the organisation’s goals and mission. Partnerships with other service providers, government agencies and businesses were the means for smaller organisations to match some of the advantages that the larger organisations may have had.

Many community-based organisations have traditionally had in their charter, both as a goal and an accountability, to meet the needs of the community out of the community, which has generally included using local communities as a resource (Lyons, 2001b). Networking, for example, has been a specific means to achieve community service organisation goals. Gann (1996) emphasised the need for all organisations, and community services organisations in particular, to have a process for coping with change, to perform more like, and be prepared to be compared with, private sector companies. However, Gann stressed that whilst the sector should not be diverted from being prepared to be accountable for public funds and management, the organisation’s efficiency and effectiveness must not lose its essential characteristics of concern for, and focus on, community needs. The distinctive feature here was that a community service organisation may be driven by a particular set of values that was characteristically different to other organisations. Such an assertion will be further explored and expanded upon in Chapters Two, Three and Seven.

A more detailed account of the community services sector, in the context of civil society and the third sector in particular, will now follow. The mapping of the sector in the areas of governance, policy and partnerships will be outlined and developed in Chapter Two.
1.3 The Third Sector and the Community Services in Australia

1.3.1 The Third Sector Defined

Literature has referred to the ‘third sector’. This term has been used to describe the sector composed of private organisations that are formed and sustained by groups of people acting voluntarily without seeking personal profit to provide benefits for themselves and for others (see Lyons, 2001a). These organisations have tended to be democratically controlled. Included under this definition are co-operatives, mutual organisations, and other not-for-profit organisations. It was further noted by Lyons (2001a) that in 2000 there were some 700,000 third sector organisations, almost half of which (320,000) were registered as incorporated organisations – this included following formal structures and accountabilities as apply to State and Commonwealth law in Australia. Of these organisations 34,000 employed 630,000 people, being just over 7.8% of the total population and 12% of private sector employment in Australia. The third sector was identified as having a combined turnover of more than $59 billion, or 3.3% of Australian gross domestic product in 2000 (Lyons, 2001a).

Third sector services have relied upon the support of volunteers. In 1994/95 over 2 million Australians volunteered some time during that year, representing over 374 million hours or the equivalent of 217,000 full-time employees (Industry Commission, 1995). The third sector has had significance in Australia, not only economically and in terms of the services that are provided, but also by playing a valued role in citizen involvement. Community services organisations using volunteers, with the exception of those operating as ‘for-profit’, have been characteristic to this sector. They have been described as being at the heart of citizen participation, or participatory democracy, in Australian society (Industry Commission, 1995).

Third sector organisations in Australia follow formal incorporation structures which include associations where voluntary management committees have governance responsibilities and companies limited by guarantee where voluntary boards hold governance accountabilities (Lyons 2001a). Both structures provide limited indemnity
for voluntary boards or committees as long as Commonwealth and State laws have not been broken and due diligence has been followed.

1.3.2 The Role of Voluntary Organisations

The community services sector in Australia has traditionally consisted of a high proportion of voluntary organisations. Lyons (1996) identified two contrasting (and arguably competing) frameworks for understanding voluntary organisations. The first is the non-profit sector, reported by Lyons (1996) to have first been developed as a post-1960s (modern) legal/economic paradigm in the United States. The focus on ‘not-for-profit’ indicates a charitable status and service to the public without a return to ‘shareholders’, or those retaining profits from business activities. The second is one that is described as a civil society approach. This had its roots stemming from more of an older European tradition derived from sociology and political science with a focus on providing opportunities to discover, organise and advance shared or common views in the provision of facilities and services (Lyons, 1996). Examples here include smaller voluntary organisations or associations that operate out of a particular membership base.

Lyons (1996) suggested these two contrasting approaches to understanding the ‘third sector’ also have different views as to how the sector should be evaluated in terms of its effectiveness. The non-profit tradition has tended to evaluate organisational and service effectiveness in terms of responsiveness to environmental conditions (such as identified need) and the capacity to meet client or customer needs. Variables such as levels of employment, clients serviced and operational budgets have been used as effectiveness indicators. The non-profit approach has had a framework that could analyse the use of volunteers in terms of a cost-benefit analysis. For example, once volunteers were no cheaper and/or requiring higher levels of inputs than paid staff, then the question has been raised as to why they would need to be used. In comparison, organisations and services viewed from a framework that embraces a civil society orientation would use indicators including the capacity to support community participation, such as the ability to build social capital. The emphasis here was not so much on what can be utilized or acquired from the community, but on
what can help build stronger communities. Citizen participation was seen to be an integral part of building ‘stronger’ or ‘better’ communities.

1.4 The Role of Civil Society in Community Services

The involvement of the community in meeting its own needs has also been expressed in terms of what constitutes a ‘civil society’. This has been further defined in terms of those areas of society which are not directly part of either market or formal state activity (Baum, 1997). A literature review of definitions and models has revealed a wide variety of perspectives on what civil society is perceived to be and how communities were able to meet their own needs within such frameworks.

1.4.1 The Historical Roots

Edwards and Foley (2001) provided an historical analysis of civil society and has been summarised as follows. Reference to the use of the term “civil society” in Western society has been traced to the Latin translation for Aristotle’s “politike koinonia”. The assumption here was of a basic identity being formed between governed and government, society and state. The modern notion of civil society has been traced to the beginnings of the modern liberal state in Europe where there was a re-defining of the boundaries between state and citizenry in an attempt to be free of the dictates of the late medieval hierarchical order. In the 19th century civil society was over-shadowed by other notions of class conflict, constitutional order and the democratic state. Proponents of the notion of civil society were interested in freedom of association as the basis for any modern order. This was based on the argument that the state could not be the only determiner of order, even in the guise of responding to popular will. Such association, with appropriate relationships or structures between citizens and state, was seen to be the basis for acting for the public good.

1.4.2 Multiple Perspectives of Civil Society

Civil society has been understood from multiple perspectives. Social relationships and citizen participation were central to many of these positions. For example, Jary and
Jary (1991, p. 73) defined civil society as: “…the realm of wider social relations and public participation, as against the narrower operations of the state or the economy”. Tester (1992, p. 8), providing an emphasis that is more sociological in focus, defined civil society in terms of:

all those social relationships, which involve the voluntary association and participation of individuals acting in their private capacities. In a simple and perhaps even simplistic formula, civil society can be said to equal the milieu of private contractual relationships. It is a coming together of private individuals, an edifice of those who are otherwise strange to one another.

Such definitions have provided a clear distinction between activities of citizen involvement and the state. Relationships were seen to be more than purely familial, and yet are not of the state. One writer suggested, simply, that civil society can be summarised as being about “…our basic social experiences” (Tester, 1992, p. 8). However, by following such an arguably oversimplified definition, there was a danger of understating some of the complexities of civil or social relationships, such as political processes.

Within a political spectrum, civil society has been identified following situations where it was not able to operate. For example, Wedel (1994, p. 229) emphasised:

Under communism the nations of Eastern Europe never had a ‘civil society’. A ‘civil society’ exists when individuals and groups are free to form organisations that function independently from the state, and that can mediate between citizens and the state.

The lack of civil society was arguably due to the all-pervasive communist state (Wedel, 1994). Non-communist countries in contrast have seen the role of non-government organisations (NGOs) as critical to supporting the development of a democratic political culture, where citizen involvement is identified as an intrinsically positive objective.

In contrast to a view that civil society has acted against the interest of the state, Cohen and Orato (1992, p. ix), for example, suggested that civil society is an integral part of all levels of society as a:
sphere of social interaction between economy and state, composed above all of the intimate sphere (especially the family), the sphere of associations (especially voluntary associations), social movements, and forms of public communication. Modern civil society is created through forms of self-constitution and self-mobilisation. It is institutionalized and generalized through laws, and especially subjective rights that stabilize social differentiation.

Community services organisations have been actively seeking to achieve the aims and functions of civil society but they are not the only players involved.

1.4.3 **Civil Society: The Key Players**

In an Australian context, the relationship between the state or government and non-government services has involved community services organisations being contracted by Commonwealth and State governments to provide community services programs. How such a relationship has enhanced the objects of civil society requires a wider reference framework, for example, one involving the key players including: citizens, state and service provider organisations.

Research investigating such relationships in civil society included the project *Civil Society in the New Millennium* (Commonwealth Foundation, 1999a). Following surveys from citizens in Commonwealth member countries, such as the Commonwealth of Australia, civil society was described as the social fabric from which relationships between the state, citizens and intermediary organisations can be developed.

Citizens and their collective endeavours constitute the basic fabric of any society. Individually and together, citizens have always acted voluntarily to improve their communities and societies. Such action takes many and varied forms... These and many other actions taken by people make up what is frequently referred to as ‘civil society’. Such actions are the basis on which democracy, pluralism, respect for human rights, good governance and the cohesiveness of society rest.  

(Commonwealth Foundation, 1999a, pp. 9–10)

Australia has been facing an ageing population who need increasing numbers of services and supports to meet their specific needs, as identified in the previous sections. The ability for service users to pay for these services in the future is
uncertain. With an ageing population there is the question of whether service recipients will be able to pay directly (for example, fee-for-service) or indirectly (for example, through the taxation system) for these programs. Civil society, with a significant volunteer base, may be called upon increasingly in the future to further contribute. The capacity for civil society to play such a role terms of meeting the demand for community services in changing social, economic and political environments will be discussed in Chapter Two.

Applying an analysis of Lyons’ (1996) typologies for voluntary organisations, it will be argued, in the next Chapter, that State and Commonwealth policy and practice need to consider a contrasting difference between the non-profit tradition and the civil society and social capital tradition. In community service program areas in Australia, such as Home and Community Care (HACC), where there has been a focus on providing community-based programs for the aged and some people with disabilities to prevent them from premature entry to institutional care, for-profit and not-for-profit organisations have also been competing for the same services. The ability for the community to meet its own needs, through an expansion of volunteer programs for example, has arguably not been discussed enough in terms of the civil society’s potential to meet current and future community service delivery needs in Australia. This point will now be discussed with reference to changes and influences that have occurred in community services operating environments.

1.5 Changes in the Community Services Environment

1.5.1 An Overview of the Key Issues.

An inquiry into changes facing the community services sector in New South Wales prior to 2001 was conducted by Fitzgerald (2001) and his findings can be summarised as follows:

- a movement within the sector towards a greater focus on self-help, prevention and advocacy activities, and a less predominant emphasis on the provision of direct assistance;
• increased range and volume of government-funded services being delivered by non-government organisations;
• government funding and support to the sector being provided increasingly through outcomes-based funding agreements for the provision of defined services as opposed to broader grant-in-aid funding;
• contracts for the delivery of government programs and services being awarded increasingly on the basis of competitive tendering processes;
• the community sector being encouraged to work in partnership with government and business in delivering outcomes for communities and individuals;
• increased competition between not-for-profit and for-profit organisations, especially in fund raising and business expertise;
• the declining ability to attract volunteer support due to the changed nature of work and demographic conditions;
• increased legal liabilities for boards of directors; and,
• increased complexities in the regulatory frameworks within which non-profit organisations operate.

The underpinnings and implications of these issues will now be outlined and discussed so as to provide a framework for further analysis in Chapter Two and Chapter Seven. Particular reference will be made to policy directions in Australia that have impacted upon community services organisations operating that have strong associations with civil society frameworks, such as the Compact Approach (Commonwealth Foundation, 1999a).

1.5.2 Policy and Reform Agendas

Community service reform agendas in the 1990s in Australia arguably focused on ‘active society’ welfare reforms, particularly in areas such as disability services and community-based aged services. Here the ‘active’ component was to promote programs and support that encouraged participation and linkages with members of the wider community (Swan, 2000).

The emergence in Australia of so-called 'neo-classical' and 'economic rationalist' policies in the 1990s, can be understood in the context of macro- and micro-economic reform (Swan, 2000). Macro-economic reform has had a particular goal of reducing dependence on overseas capital and thus reducing the current account deficit. The role of micro-economic reform was to promote competition to stimulate efficiency and reduce production costs in a free market economy. In such an environment a strong
emphasis has been placed upon competition. The broad policy of services being expected ‘to do more with less’ has been promoted in such frameworks, including the notion of achieving greater efficiency in the community services sector. Operational measures to meet such challenges have included developing efficiencies, or micro-economic reform, whilst remaining consistent with a perceived civil society mission of promoting social justice and the common good (Parmenter, 1999).

The means that community services organisations have in meeting these challenges, whilst garnishing greater community participation and involvement, will be discussed further in Chapter Two.

1.6 Community Services Infrastructure

1.6.1 Legal and Governance Requirements and Emerging Themes

The common constitutional structures for non-government community services organisations, operating as non-profit organisations in the Australian State of New South Wales, has been incorporated associations or companies limited by guarantee (Lyons, 2001a). Such structures have provided limited indemnity with regard to legal and financial liabilities that could be incurred by the particular community organisation. Community services organisations are normally managed or governed by groups of volunteers who have been members of the local community or key stakeholders; for example, parents of people with disabilities who are accessing services in the particular organisation. Boards and management committees have been generally responsible for governance matters including finance, legislative requirements, quality assurance, human resource management, asset management and dealing with government funding agreement requirements (Kilmister, 2001).

Community services organisations in New South Wales have received Commonwealth and/or State Government funding as their main source of income, with some services charging the service users fees. An evolving theme for this sector has been the expectation that services will follow business practices and the models that apply to the for-profit sector. In comparing for-profit businesses with non-
government community services organisations, many similarities can be identified, particularly with reference to the governance responsibilities that apply to all organisations (for-profit and not-for-profit) as outlined in this Chapter above. However, there are also significant differences such as service delivery issues, for example, which include meeting government and consumer service standards (Kilmister, 2001). The contrast between non-profit and civil society service delivery standpoints (Lyons, 1996), has also been identified as an area that requires further critical analysis. Attention will now be turned to a more in-depth review of these juxtapositions.

1.6.2 Community Services Management Practice Issues

There are identifiable similarities and differences between business and community services operating environments. All organisations today have faced the reality of change. In business operating environments, such as the Information Technology industry, organisations have found that products and services are increasingly becoming surpassed by alternative products and services in very short periods of time - such is the nature of the rate of change that has occurred (Stiroh, 2002). In the community services sector, change and uncertainty may not have been so rapid. However, change is nonetheless present and has included increased competition between for-profit and not-for-profit organisations for new services (Fitzgerald, 2001).

In understanding and further analysing many of the changes that occur for all organisations, frameworks need to be applied that address issues of certainty as well as uncertainty. Elements of what Stacey (1996) referred to as “ordinary” (relating to environments of certainty) and “extraordinary” management practices (relating to environments of uncertainty) are analysed in more detail in Section 1.8.3.

With voluntary management committees, committee members in meeting their governance responsibilities have been expected to understand and use a range of business practices, which may range from accrual accounting to terminating employment. Tradition in the community services sector has been for volunteers to simply turn up and help. Arguably, more regulatory and administrative requirements
may apply to non-government community organisations than to businesses. They may need to meet the accountabilities of business as well as the accountabilities of contracting to government departments.

Fitzgerald (2001) has commented that this trend of increasing corporate responsibilities, favours larger community services organisations and disadvantages smaller services, as smaller organisations operate more directly out of the volunteer-base within civil society, whereas the larger organisations tend to operate out of a corporate base. The larger organisations are therefore able to take advantage of comparatively larger infrastructure resources, with, for example, systems, equipment, human resources and technical expertise.

The perceptions of stakeholders are also worth noting. For example, if a not-for-profit organisation structures itself so that it looks, sounds and acts like a business, then the community may regard it as such. Fitzgerald (2001, p. 5) has stressed some of the major implications of this trend:

The future of non-profit organisations in Australia is strong, provided that the very things that make them different from business, the very things that have ensured community and government support, are not compromised. Their identity and their value in the eyes of the public are linked to their integrity.

To explore, through research on a practical level, many of the issues related to change that have been identified above, a community-based organisation was chosen as a case study. Action Research methodology was used to identify and track change, but also allow the researcher, as a participant-observer, to support the organisation in meeting new challenges that followed changes in government policy.

The Australian Government has advocated for the development of “compacts” with the community services sector. Contracts for service delivery have been portrayed as also providing the opportunity for community services organisations to provide grass-roots input into policy directions (Swan, 2000). However, examples of where such ‘grass roots input’ has influenced policy were not easily cited. The element of social participation in this context has been correlated more with economic participation. For example, social participation has tended to be measured by Commonwealth
departments in terms of economic benefits or outputs such as job creation (Payne, 2000).

Whilst literature on compacts in Australia that do not focus on economic outcomes as the primary purpose, has been distinctly lacking, there is nonetheless value in pursuing this research area further. The Compact Approach, for example, provided an opportunity for civil society to be measured not only in economic terms but also with reference to values such as social capital.

1.7 The Compact Approach Applied to the Australian Setting

1.7.1 An Overview

Australia was co-signatory to a new “Compact” in November 1999 (Commonwealth Foundation, 1999a) which describes the relational dynamics between state, intermediary organisations and citizens. It was the anticipation and intention by the Commonwealth Heads of Government around this time that the co-creation of appropriate services by these three agents could develop what was seen to be a “good society”.

In September 1999, a report completed by the Commonwealth Foundation in partnership with CIVICUS (an organisation promoting the development of civil society internationally) was presented to the Third Commonwealth Non Government Organisation (NGO) Forum, held in Durban, South Africa in November 1999. A range of issues were discussed, primarily around the importance of having the basic needs of members of the community met. This included addressing a fundamental social need for association for common good and governance participation (Commonwealth Foundation, 1999b, p. 3). Recommendations included developing meaningful partnerships among civil society organisations, as well as between civil society, government, and the corporate private sector (Commonwealth Foundation, 1999b, p. 5).
On 15 November 1999, in a communiqué issued, by the Commonwealth Heads of Government (CHOGM), and of which Australia is a member and co-signatory, it was declared that “…people-centered development implied that people must be directly involved in the decision-making process and in the implementation of development plans and programmes through their own organizations” (Commonwealth Foundation, 1999b, p. 11). This statement was based upon the findings of the report *Citizens and Governance: Civil Society in the New Millennium* (1999a) which was endorsed by CHOGM, who also encouraged the implementation of all of the report’s recommendations.

It was recognised in the *Citizens and Governance* report that at any particular moment in history, the relative strength and influence of the three types of actors (state, intermediary organisations and citizens) will vary also according to power relationships. In the context of Australian society, the question arises as to how these actors operate (particularly in terms of power relationships) and how effectively this Approach involving civil society can be applied.

A range of issues can be examined when applying the Compact Approach, which include: understanding power relationships in the context of such a partnership framework; the assumption that the application of the Compact Approach will lead to what constitutes a “good society”; and, how effective participation and association relate to management skill levels. Such issues need to be analysed not only at individual organisational levels but also with reference to political, economic and social reform agendas and contexts that apply to the community services sector in Australia, as a whole.

With very limited research internationally, and none undertaken in Australia (Lyons, 2001a), it was the intention of this research to apply the Compact Approach in practice to a specific community-based setting. Changes in the organisation were correlated with partnerships with other community services organisations, as well as government agencies over a period of 17 months. The relational dynamics of the actors described in the Compact Approach would be applied in practice.
1.7.2 Implications for Australian Community Services

As previously outlined, concerns were identified that in the community services sector that management and organisational practices derived from business models may advantage particular segments of the sector, such as the larger, more “corporate-focused” organisations. Smaller organisations, where the technology (such as a computer) as well as other general resources (such as human resources), were not as readily available, were arguably at a disadvantage particularly in dealing with increasing accountability requirements from governments.

It will be further argued that there are political influences operating that have led to such a predicament. The political agenda was one that required further investigation, particularly in terms of its impact on governance and service delivery for not-for-profit organisations (Lyons, 2001a). Frameworks that have been applied at a policy level may be changed or ignored in terms of political expediency. In this regard, political processes also have directly influenced community services funding opportunities. Opportunities have existed for community services organisations to maximise the benefits of such political influences, particularly if they operate in electorates that are sensitive to both public and political concerns. The issue of policy and growth opportunities in community services has therefore not been independent of political processes. The case study organisation was selected also on the basis of the political processes related to such a Commonwealth and State Government ‘marginally-held’ seat.

1.7.3 Home and Community Care Program

A trend in community services in areas such as Home and Community Care Services (HACC) in Australia, and more specifically New South Wales, has been to provide support services to people in their own homes so that they are not prematurely institutionalised facilities such as aged residential care. In 1985, the Australian Federal Government, in agreement with Australian State and Territory governments, passed the Home and Community Care Act 1985. The intention of this program has followed a community care rather than an institutional care model (Commonwealth Department of Health and Family Services, 1998, p. 6). The program was
administered according to agreements signed between the Commonwealth Government and each State and Territory, which has included agreement on the proportion of financial commitment by each party. In this partnership, each State or Territory has administered the HACC program in its State or Territory and has been responsible for funding individual services and monitoring accountability requirements. All HACC aged care funded services were required to meet seven service standards objectives in the following areas:

- access to services;
- information and consultation;
- efficient and effective management;
- coordinated, planned and reliable service delivery;
- privacy, confidentiality and access to personal information;
- complaints and disputes; and
- advocacy.

(Commonwealth Department of Health and Family Services, 1998, pp. 1–2)

In response to articulated needs in the community, many HACC services have developed over the past decades out of a strong volunteer base. Here the genesis of services has grown out of community, with considerable input from members of each local area.

1.7.4 HACC and Civil Society

The involvement of the community, as mentioned earlier in this chapter, in meeting its own needs, has been central to the development of civil society in Australia. HACC services have been examples of such. The case study organisation also grew as a HACC service provider as well as receiving additional funding for community aged care from the Commonwealth.

The question has also been raised regarding the influences of government policy. For HACC services, for example, for-profit services are now able to operate and receive government funding, as well as the traditional not-for-profit providers largely due to a change in Commonwealth Government policy.
The issue has been raised as to community service organisations’ capacities and interest in meeting the challenges to be faced with such changes. Roles such as strategic planning, risk management, due diligence, budgetary planning, quality systems management, and the like may read like the task requirements of a large corporate board. Management Committee members of community services organisations may not have the capacity to operate services in such a business-like manner. This is the paradigm that has been expected of a sector with a traditionally strong volunteer base and much informality. The implications of this change will now be discussed in more detail.

1.8 Governance and Management Responsibilities

1.8.1 Issues Following Practice

The role of governance has clearly changed in the community-services sector. Competencies and responsibilities that include effective financial and strategic planning have required that individuals in governance roles in community organisations have generic governance knowledge, skills and experience. Do volunteers in community organisations, have the appropriate skill base required to perform governance duties? Also do management and governance responsibilities in the not-for-profit sector require more diversified skills than those in the for-profit sector? For example, ‘people skills’ and the ability to build relationships and alliances are skills have been observed in many managers in the not-for-profit sector that were sought after by the for-profit sector (Vincent, 2002).

Lyons (2001a) identified that there is a tendency to apply business management literature and governance practices to the community services sector without challenge. Such practices will be further challenged in Chapter Two and Chapter Seven with particular reference to governance requirements, partnerships and change.
1.8.2 Theoretical Frameworks

Community services organisations, like most organisations across all sectors, have confronted significant change and have experienced increasing rates of related challenges. The extent of this change can be examined through change management and organisational theory frameworks. An analysis of the critical issues facing community services organisations can also benefit from reference to such frameworks.

1.8.3 A Change Management Theory Tool

To further understand change in organisations in general, as noted earlier, Stacey (1996) has made reference to the challenge of dealing not only with “ordinary” management practices and requirements, but also to “extraordinary” management practices and requirements. Ordinary management practices (Stacey, 1996, p. 71) relate to a: “…rational process to secure harmony, fit, or convergence to a configuration, and it proceeds in an incremental manner”.

In contrast, extraordinary management:

is the use of intuitive, political, group learning modes of decision-making and self-organising forms of control in open-ended change situations. It is the form of management that managers must use if they are to change strategic direction and innovate. (Stacey, 1996, p.72)

Organisations face significant external as well as internal changes that are often unable to be predicted, or incrementally changed. Following Stacey’s definitions of ordinary and extraordinary management as outlined above, it can be argued all organisations need to use both in their operating environments. A key claim with complexity theory relates to the unknowability of the future. With reference to Stacey’s extraordinary management, a correlation can be established with complexity theory or the science of complexity where the unpredictability of natural systems is identified also as evident in organisational systems (Rosenhead, 1998). Here the open-ended change opportunities do not always correlate to Stacey’s extraordinary systems but ordinary practices as well. Research identifying non-linear feedback systems
operating in isolation in organisations has been challenged, as has chaos or complexity having a deterministic nature in organisations (Rosenhead, 1998, p.11). It has been established that community services organisations are facing increased complexity and the case has been established for considering elements of both ordinary as well as extraordinary management practices, particularly where there considerable change. A more detailed summary of ordinary and extraordinary management practices has been provided in Appendix 1.

Transformational changes in organisations have also related to learning capabilities. For example, desirable leadership behaviour for a learning organisation has been identified as transformational and desired follower behaviour should include a learning orientation (Coad & Berry, 1998).

How much change, innovation and learning capability evident in community organisations has been a matter of some debate (Gann, 1996). To illustrate this further, community services organisations have had funding agreements that have been set with determined target groups, funding amounts as well as other general conditions. In such circumstances elements of ordinary management would seem to apply as suitable practice. However, as has also been the case, such traditionally stable operating environments have been eroded. Change (both forced and voluntary) has required consideration of new parameters, issues, opportunities, strategies and outcomes. Here an extraordinary management framework would apply.

1.9 Reports on Australian Contexts

1.9.1 Mission Australia Report

A report by Mission Australia on social enterprises in Australia entitled There’s Something Different About this Place (Mission Australia, 2002), was based upon research into community capacity building at various levels. A key finding was that in regard to the working arrangement between business, government and community organisations in the area of social entrepreneurship, there was little or no evidence of social enterprises working together in Australia (Mission Australia, 2002, p. 2).
Whilst a typology of social enterprises was difficult to identify, this report found three common characteristics for organisations involved. Firstly, they sought to make a profit; second, they had explicit social aims; and third, they were autonomous, with governance or ownership structures based on community participation.

One such example of a social enterprise in Australia, as described in the Mission Australia report (2002), was community banks. These social enterprises have arisen in local Australian communities that have no banking facilities; or are disgruntled with the lack of personal service provided by the larger banks. Otherwise, according to the report, there appeared to be little other evidence of successful social enterprises at work in practice. A critical factor determining such arrangements was government policy and associated rhetoric. One social commentator has summarized the situation in the following manner: “The language of social entrepreneurialism, from a government point of view, is far more entrepreneurial than it is social” (Costello, 1999, p. 46).

In contrast, the Commonwealth Foundation Approach (Commonwealth Foundation, 1999a), outlining the new compact between various actors, has more of a social focus on responsible citizenship and responsive participatory democracy (Commonwealth Foundation, 1999b, p.83). As is evident from the social entrepreneurship government policy direction as noted above, the emphasis is placed on the aspect of entrepreneurship where economic benefits can be the fundamental or primary goal. This raises the question here as to how and why responsible citizenship and responsive participatory democracy can be of relatively less importance and value.

### 1.9.2 Comparative Analysis with Compact Approach

The Commonwealth Foundation Compact Approach appeared to be more relevant to community organisations, as responsible citizenship and responsive participatory democracy have had a direct impact on governance and service delivery development by way of citizenship involvement in civil society. With the focus on recognising that people are at the centre of society, progress, change and development was not only equated with economic indicators such as Gross Domestic Product (GDP), but with an intention of focusing on the requirements for the well-being of all citizens. The
assumption was that this objective could be accomplished through responsive governance and active citizenship. This approach supported the notion that if citizens were the central focus, then state policies and programs needed to be accountable for promoting the well-being of all citizens. In so doing, state institutions and leaders could promote responsive democratic governance of public affairs (Commonwealth Foundation, 1999b). The basis of a ‘good society’ was therefore seen to be one in which citizens’ needs were met, and association and connection, established and constructed between citizens.

1.9.3 Partnership Initiatives

Of further interest from the There’s Something Different About this Place research (Mission Australia, 2002) was the notion of community partnerships. This research indicated that, when compared to segments such as the three levels of government, business and individuals, non-government organisations and community groups demonstrated the highest value placed on partnership. Traditionally, sectors such as community services have relied upon networking with other services, government support and support from business and individuals, to keep operating. Key partnerships have been fundamental to success as well as failure for community organisations.

Internationally there are a significant number of partnership initiatives that focus on community partnerships between government, intermediary organisations and community members that have had as their primary task, for example, gaining economic benefit to stimulate employment (Armstrong, Kehrer, Wells & Wood, 2002; Baldesheim & Stahlberg, 2002). Such government initiatives may have also sought to promote citizen participation (Homan, Olseskevich, Foster, Domahidy & Hogan, 1998; Liang & Storti, 2000; Mosley, 1998). What is again distinctly evident from the literature is the proportionately small number of partnership initiatives that have developed out of the civil society sector itself as opposed to economic drivers, which have been predominant in most of the studies cited.
1.10 Survey of Partnerships and Social Capital

1.10.1 Social Capital and Community Services

It will be argued that many of the achievements in community services organisations have been the result of citizen engagement and the application of social capital. As a response to new paradigms and changes evolving in the community services sector, partnerships have been an option as they can provide synergies in meeting infrastructure and appropriate sharing of human and technological resources.

1.10.2 The Social Capital Concept

The notion of social capital is that individuals and groups, through their associations, have been an important asset in community growth and development. The social networks and civic associations in communities have provided necessary social support in confronting poverty and vulnerability (Mosser, 1996; Narayan, 1995), for resolving disputes (Varshney, 2000), as well as taking advantage of new opportunities (Isham & Kaufmann, 1999). The concept of social capital has been defined as “…the norms and networks that enable people to act collectively” (Woolcock & Narayan, 2000, p. 225). In the 1990s social capital made a significant rise to prominence. The evolution of social capital can be traced through four distinct approaches: 1. communitarian; 2. networks; 3. institutional; and, 4. synergy (see Woolcock & Narayan, 2000). What Woolcock and Narayan (2000) have suggested is that the synergy view, with its emphasis on incorporating different levels and dimensions of social capital, as well as its recognition of positive and negative outcomes that social capital can generate, lends itself best to empirical support and policy use.

1.10.3 Social Capital and Partnerships

Social capital has been central to effective partnerships and the roles and functions of civil society. There is a wide range of literature that is supportive of the positive role of partnerships between various organisations (Baldesheim & Stahlberg, 2002; Buono, 1997; Gann, 1997; Naryan, 1995; Rom, 1999; Woolcock & Narayan, 2000), but also alliances internally, within organisations (Peters & Smith, 1998). There have
been a number of community partnerships that have been researched specifically in the health sector (e.g. Homan, Olseskevich, Foster, Domahidy & Hogan, 1998; Mosley, 1998). Community partnerships have also been promoted through various sectors, although the general trends with such partnerships have been that they were business model driven or governmentally driven, but rarely driven from the civil society sector.

There have been various programs operating in Australia that have focussed on partnerships in the community sector, but they have been primarily business partnerships (Commonwealth Department of Family and Community Services, 1999) that have followed a business or economic relationship. There was a distinct lack of research and evidence of relationships between the state, intermediary organisations and citizens that has not involved a business as the intermediary organisation. This provided further support for the need for research of the Compact Approach.

1.11 Government Policy Directions

1.11.1 HACC and Aged Care Services

In the area of reform for the Home and Community Care (HACC) programs, a key change occurred in 1995. Following changes to the Commonwealth Home and Community Care Act (New South Wale Government, 1984, for-profit organisations gained approval to be funded to provide services that had previously been quarantined for the not-for-profit sector (Keleher, 2003). This change meant that the market for potential service providers had moved to a wider segment, no longer exclusively aligned with the not-for-profit sector.

A corollary to such reforms has been the expectation that not-for-profit services operate more like for-profit organisations. Accountability frameworks have been used to define service delivery following a production-based model, where expressed hours of service or outputs are equated with inputs such as funding dollar amounts (Stewart-Weeks, 2003). The issue of quantifying human service outputs has been tied increasingly to funding agreements and general service accountability requirements
(Saunders & Fine, 1995). As such, the government rhetoric has indicated, both overtly and covertly, a reform agenda that has required services both for-profit and not-for-profit to provide Home and Community Care services in more business-like operational environments (Howe, 2000). For many community services this policy direction has meant that they have been challenged to compete with for-profit organisations, which they have often assumed has required increased utilisation of for-profit business model approaches.

In the area of aged care policy in Australia, it is also important to note that there was a rapid change following the 1996 change of Federal Government. Aged care was moving away from residential care towards community-based care and tied to quality of care improvement accountabilities (Howe, 2000). This supports the position that there has been an increasing demand for community based services.

1.11.2 The Compact Approach

The Compact Approach (Commonwealth Foundation, 1999a) was a framework by which the roles and relationships of the various actors in the community services, such as HACC, could be identified. The benefits of such relationships are also assumed to be reciprocal as applied to the Commonwealth and State service standards referred to previously (see 1.8.1).

As indicated by the Compact Approach (Commonwealth Foundation, 1999a) a basic assumption was that progress and community service would be harnessed for the “well-being” of its target members. This assumption also pre-supposed that government policy and related service delivery were also operating to promote the “well-being” of all citizens. The role of civil society in working towards meeting community need was based upon responsive citizenry and participatory democracy. Here the relationship between the actors (state, intermediary organisations and civil society) would also be influenced by political relationships, not only at Government policy level but within each individual organisation. How organisations were able to respond to the dynamics of such relationships would also be contingent upon their capacity to learn, including challenging old habits and assumptions.
1.12 Learning Organisations

Organisations have needed to develop strategies that have enabled them to maximise learning opportunities in dealing with circumstances where there has been disagreement and uncertainty (Stacey, 1996). In learning how to deal effectively with change, organisations also have had to challenge the mental models, mindsets, frames of reference, or paradigms.

Research has demonstrated that organisations that follow effective learning modes, were deemed to be “learning organisations”, and out-performed non-learning organisations. This included organisations operating in the charity sector (Bennett, 1998; Cook, Staniforth & Stewart, 1998; Hill, Bullard, Capper, Hawes & Wilson, 1998). What has become learnt in an organisation is also influenced by organisational culture and organisational change (Elsmore, 2001). Organisational learning principles have not just applied to larger organisations, with sizeable learning and development departments. Organisational learning strategies have also been successful in small organisations (Matlay, 2000).

However, the rhetoric of learning has not always translated directly into learning outcomes (Reynolds & Ablett, 1998). Learning principles require application in practical settings to demonstrate their efficacy. One such example is where action learning and Action Research have been successfully applied in learning organisations (Dixon, 2000). The learning loop of acting, discovering, choosing and changing also has been considered in correlation with another loop of discovering new mental models and challenging previous mental models (Argyris, 1990). The use of Action Research will be further outlined in Chapter Four.

The assumption was made that the principles of a learning organisation, Action research in particular, would assist the case study organisation to more effectively manage change. A profile of the case study organisation, including reference to change and learning opportunities, will now follow.
1.13 Case Study Organisation

The case study organisation, Bay and Basin Community Resources Incorporated (BBCRI), was established in 1991 in response to a community need for youth and community services. By 2002, the organisation was providing support for 54 different service areas. Such a range of community services in New South Wales would normally be delivered by service providers that are either direct government services (for example, N.S.W. Department of Community Services or local government), or larger non-government organisations. It is relatively unusual for a small community-based organisation to be providing such a diverse range of support services.

The organisation operated in New South Wales in an environment that included a marginal State seat of approximately 1% at State level (Labor) and swinging voters of 10% away from the Federal member (Liberal) in the 2001 election (New South Wales State Electoral Office, 2001). This is of interest with reference to any political influences that may have assisted the organisation in the establishment of services.

The area also shared the highest growth rate of persons 65 and over from 1993–98 in New South Wales (Australian Bureau of Statistics, 2000, p.15), an increasing ageing population of 3.2% and one of the lowest per-capita incomes in the State. It was identified that this setting had high levels of need (e.g. aged care services), coupled with social disadvantage. There were also issues that related to geographical isolation and other regional concerns, which included high levels of youth unemployment.

In the case study organisation, aged care services grew by 500% over a two-year period from 2000–2002 (See Table 1). In contrast, for the previous nine years, there had been little or no growth. Aged care services were the focus of change in the organisation as the opportunities were far greater than for any other service area of the organisation.

Such changes required the voluntary management committee and staff to deal with a range of issues and challenges. The committee, however, had concerns such as time, knowledge and experience, available management resources and the ability to work effectively in partnerships to establish new and expanded funded programs. The
changes experienced, and the required skills needing to be developed, were consistent with Stacey’s (1996) model of extraordinary management, particularly with reference to moving away from an environment of certainty and agreement. Effectively, aged care services had moved from incremental to exponential rates of change. Other service areas were only starting to show increases in change, but not to the extent of aged care services.

The case study organisation received funding from the then NSW Department of Ageing and Disability (currently the NSW Department of Ageing, Disability and Home Care), the then Commonwealth Department of Health and Aged Care (currently the Australian Government Department of Health and Ageing) and the Commonwealth Department of Veterans Affairs (currently the Australian Government Department of Veterans Affairs). Partnership opportunities were seen to be emerging with these funding bodies as well as local government services (e.g. councils), service providers, as well as other community organisations and individuals.

As a community-based organisation, it was operating with strong civil society involvement from the local area. The change, and operational scenarios, provided the opportunity for investigative research to ‘test’ the validity of the Compact Approach (Commonwealth Foundation, September, 1999). To gain an in-depth appreciation of the appropriateness of the Compact Model, an Action Research methodological approach was undertaken by the researcher. The merits of this approach will be discussed further in Chapter Four.

1.14  Research Question

The issues outlined above support the need for further research in the area of civil society and how change is managed in the community services sector in Australia. The Compact Approach has provided a framework where the key actors involved in the sector have been identified and their relationships scrutinised so that civil society can be enhanced. There was a distinct lack of applied research that has studied the Compact Approach in operating environments such as community organisations, both
in Australia and, indeed, worldwide. Commonwealth member countries such as Australia have been co-signatories to such a “Compact”. Without research to chart the efficacy of the implementation of the Compact Approach, there may be no account of the progress of its application. Further implications will be discussed in Chapter Seven.

This research entitled *An Action Research approach to supporting change management and associated governance strategies in a community services organisation* is investigative research using a case study organisation utilising quasi-historical analysis and Action Research. The aim was to assist the community services sector and its relevant stakeholders in further understanding the validity of the Compact Approach (Commonwealth Foundation, 1999a) in its application to an Australian community services setting.

This investigative research followed case study method in accordance with Action Research protocols. This provided the opportunity for staff and board members in the case study organisation to be practically involved in developing skills and processes to deal with some of the changes they had experienced. The researcher acting as participant-observer also took on the role as a ‘consultant’ to the organisation. Whilst this was requested from the organisation, the researcher had significant influence on the research processes and outcomes. Further research parameters, limitations and scope are outlined in Chapters Four, Five and Seven.

### 1.15 Chapter Summary

In this introductory chapter an overview of the critical issues facing community-based organisations has been outlined, including changes and challenges within the sector. The role and function of civil society has been discussed with reference to community services in Australia. It was identified that frameworks are required, such as the Compact Approach, to enhance to objectives of civil society organisations - particularly where their fundamental principles may be under threat in change environments The research question was re-stated and an outline of the research study
provided. Critical areas such as change, governance and civil society, as they apply to the case study organisation, will be discussed in more detail in Chapter Two.
CHAPTER 2
GOVERNANCE, CHANGE AND CIVIL SOCIETY

2.1 Community Services Issues

Governance responsibilities for community services organisations in Australia were outlined in Chapter One where it was identified that they required more in-depth discussion and analysis. Commonwealth and State Government policy directions have also impacted upon community service organisations’ governance responsibilities. In meeting such requirements partnership models as well as policy governance are discussed and analysed according to their relevance to the case study organisation. The Carver model (Carver, 1997) is presented as an example of a strategy to meet the case study organisation’s ongoing growth and infrastructure needs.

2.1.1 Governance Responsibilities

In New South Wales, typically, smaller community services organisations have been incorporated as associations under the NSW Associations Incorporations Act 1984 (New South Wales Government, 1984). These organisations have had charitable status as public benevolent institutions, in order to receive tax-deductible gifts, donations, bequests, and to undertake fundraising activities for charitable purposes. In accordance with this Act, these organisations have had their purpose or object to provide services to the frail, disabled or disadvantaged. They have provided services to the disadvantaged public at large and have been seen to benefit the whole community or sections of the community and therefore have received charitable status as a non-government and not-for-profit organisation. Such organisations have also typically provided services in the context of a governmental program (either State or Commonwealth) which may have been reflected in their written statements of purpose, such as constitution, vision and mission. In this regard these organisations have had their purpose either directly, or indirectly, defined by Commonwealth and/or State Government program policy and practice requirements.
In meeting governance requirements, boards and management committees of for-profit and not-for-profit organisations have had many common responsibilities. All board or committee members have roles and responsibilities in terms of corporate governance which have been defined as “…the processes by which organisations are directed and controlled and encompasses authority, accountability, stewardship, leadership, direction and control” (Commonwealth Department of Family and Community Services, 2001, p. 2).

For an organisation to meet these responsibilities effectively, it can be referred to as following “good corporate governance” practices (Miller & Abraham, 2006). Such good governance practices have included: effective planning and risk management; having in place internal and external accountability requirements; being responsible to an organisation’s members or shareholders; and, being responsive to the people served by the organisation and other stakeholders (Commonwealth Department of Family and Community Services, 2001).

In Australia, Government departments and agencies have stipulated what they require from good governance responsibilities and practices. This has included responsibilities for: organisational plans; business plans; marketing plans; policy and procedures manuals; risk management reviews; and, quality assurance manuals (Commonwealth Department of Family and Community Services, 2001).

2.1.2 Governance: A Developing Discourse

The concept of ‘governance’ from a civil society perspective has emerged in the 20th Century with the potential to include such ideological positions as “…a new discourse about the desirability of moving to style … which unites the state, the market and civil society in the service of a nation” (Wettenhall, 2003, p. 4). Such a discourse has involved a synergy between multiple sector contributors, providers and partners engaged in community or public service delivery.

In the provision of services to members of the public, the term ‘governance’ has also involved a network of public and private providers in the management of public services. Aulich (2002, p. 3) summarised governance responsibilities of publicly
funded community service organisations as: “...the establishment of practices to ensure that program outputs and outcomes match the objectives set, that roles and relationships facilitate these outcomes and that workable systems of regulation and accountability protect important ‘public interests’ involved”.

Such a managerialist position on governance has been arguably based upon a model where governance is centred on government (CACOM, 1999, p.56). Here a partnership between government and agents such as non profit organisations can inevitably involve the question of power relationships within a fabric of accountability and control. Governance can be equated with the exercise of power (ADB Institute, 2005). Foucault (1991) developed a model of governance within a framework of such power relationships premised on a hypothesis of networked relations of people, communication, and capacities for change. Such an approach to governance has a role to play in the analysis of government discourse from a range of community positions.

This ‘new governance discourse’ had, as its cornerstone, public interest guidelines that were outlined in Commonwealth and State legislation such as the Associations Incorporation Act 1984. Governance accountabilities for community organisations have been framed following such legislation.

2.1.3 Association Incorporation Act Guidelines

The Associations Incorporation Act 1984 has made clear reference to general roles, responsibilities and structures for the community services. These include a membership of like-minded individuals who have a common purpose that is expressed through the activities of the organisation, and the association meets annually to receive a report of the activities of the organisation as well as to elect the Committee of Management, including specific office bearers (NSW Government, 1984).

Under Section 4 of the Act (NSW Government, 1984), it has been clearly stated that an association is able to carry out its business activities and make a profit (or surplus), but only if it is utilises the gain for the members and activities of the association. For example, organisations may make a profit from operational activities that can then be
used for capital buildings and equipment in the further pursuit of the organisation’s objectives.

However, not-for-profit associations are not able to make financial or pecuniary gain by board or management committee members, or shareholders, as was clearly articulated in the Section 4 of the Act (NSW Government, 1984), which has can be referred to in more detail in Appendix 2. If there is no financial gain made as a member of a community services management committee, the question arises as to what motivates members of a management committee to become members? The motivation of the case study organisation’s committee members will be further analysed and discussed in Chapters Three, Four and Five.

As mentioned in the previous Chapter, Lyons (2001c) found that in 1996 there were approximately 120,000 incorporated associations in Australia. For associations that also receive government funding for community services, there are also additional governance requirements, as will be outlined in the following section.

2.2 Community Services Governance

The use of the term “community services governance” is relatively new. Even in the community services industry there has been confusion and disagreement about what the terminology actually means. This may have been due, at least in part, to the concept of governance involving a wide range of activities that may be difficult for governance bodies such as community-based management groups to conceptualise and contextualize. For example, community service governance has included: strategic and business planning; prescribed board composition; risk management; performance assessment; reward and benefit distribution; CEO/management succession and appointment; disclosure and stakeholder reporting; corporate values and corporate culture; independent auditing; and organisation structure development (Kaye, 2004).

Governance activities in each community services organisation have related to perceived governance responsibilities in accordance with the way each organisation
has been directed and governed. This has included policies and practices aligned to an organisation’s performance, stewardship and its capacity to be accountable to its various stakeholders (Kaye, 2004).

Community service governance has also been modelled on ‘good practices’ as defined in the corporate sector. In a sample of Australian for-profit and not-for-profit organisations, Kaye (2004) found, using a model identifying 59 governance criteria, that for-profit companies/corporations did not display a higher rating of corporate governance than not-for-profit organisations (Kaye, 2004). It was established that both not-for-profit and for-profit organisations alike required improvement. Kaye’s (2004) research can be summarised as identifying the following:

1. The quality and use of client data in key decision-making is not a strong practice.
2. There is little evidence of values being monitored or reported. Rarely are they written in measurable terms.
3. Larger organisations have better documentation-related policies, roles and planning.
4. There is substantial over-reliance on input from management with very little evidence of board input in the form of papers and issues. Boards also rely on external input being initiated and/or arranged by management.
5. Board composition appears to be more a product of history and personal contacts than current need and intent.
6. Strategic planning, where undertaken, does not appear as an ongoing driver in terms of board debate and ongoing decision-making.
7. There is concern amongst directors about being seen by management as being over-inquisitive and interfering.
8. Typically there is a substantial difference of understanding and opinion amongst directors and the board and executive management on around 30% of governance criteria.
9. Structured board and CEO performance assessment is not a common practice. Similarly there is little evidence of board and director role descriptions and performance criteria. Where performance assessment is undertaken, there is little linkage to the strategic plan and to non-financial key performance indicators.

Of particular interest is the second last point above, where it was found that on 30% of governance criteria there is a substantial difference of understanding and opinion. This indicates that there was a large degree of uncertainty at a governance level on what board responsibilities were, for both for-profit and not-for-profit directors.
Once board members became aware of their associated responsibilities, it could be expected that they would increase their performance in these areas. Kaye (2004) identified that one of the most significant outcomes of governance reviews by board members was their experience of empowerment. Kaye argued that increased empowerment is directly correlated with board members’ improved understanding of their roles and responsibilities and recognition of the differing views and understanding of fellow directors.

Kilmister (2002), in a survey of 129 directors, chairpersons and chief executive officers of Australian organisations, found improved board and chief executive officer (CEO) performance when there was a clear delineation between each others’ roles and responsibilities. The articulation of the importance of separating board and CEO functions has been further developed by Carver (1997) at a policy level.

Kaye (2004) also established that recognising the importance of strategy, using a wider base of performance indicators and increasing the role of independent input all enhance board governance performance. Kaye found a balance between compliance and strategic performance was the basis of good community service governance where confidence, effectiveness and sustainability of the organisation were deemed to be the clear outcomes of good governance practice. To navigate such complexities and areas of uncertainties, boards themselves have required external agents such as facilitators and consultants with governance expertise to assist them to reflect upon what their governance responsibilities were.

In scoping the range of funder - provider arrangements between the government and community-based organisations in Australia, Aulich (2002, p. 2) has provided a tabulated summary that can be applied directly to the analysis of community services governance. With reference to Table in Appendix 3, it can be identified that the case study organisation’s services mainly correlate with the column of public funding of mainly private provision. This relates to an accountability environment that was more highly regulated, with performance outputs usually tied to funding agreement requirements (Commonwealth Department of Family and Community Services, 1997). There was also evidence of elements of the sponsorship, grants and subsidy mix in the organisation with funding agreements often being fixed-term, generally for
12-months (but rolling over from year to year making them on-going). Such arrangements and functions were consistent with other community services organisations in Australia (Lyons, 2001a) where there have been an increasing number of time-limited contracts between governments and service providers.

In summary, using Aulich’s (2002) framework, it has been identified that the case study organisation was moving from a history of sponsorship, grants and subsidy, as well as public funding of mainly private provision, to more contract and partnership arrangements for services. The emerging partnership opportunities were also identified as being tied to contractual arrangements.

2.3 Community Partnerships

The term ‘public–private partnership’ (PPP) has been used to describe entrepreneurial activities that engage both the public and private sectors. In Britain, for example, the Blair government popularized such relationships to fund the redevelopment of public infrastructure. PPPs internationally have been established between governments at all levels with the private sector for social welfare functions such as pensions, education, transportation, criminal justice and environmental protection (Rom, 1999). Such a development is representative of the extension from state–market models to include state–community arrangements.

One of the advantages of community partnerships has been the opportunity for the benefits of the public and private sectors to be combined rather than separated and polarised. Hodge (2002) found the key benefits of PPPs in integrating the strengths of both sectors included: private (more competitive, and arguably at times more efficient); and, public (responsibility and accountability). Hodge (2002) argued that PPPs in state–community arrangements needed to be based more upon cooperation rather than competition, particularly in that PPPs did not purely provide public activities to private organisations as there was a perceived merging of state, markets and community.
Community partnerships therefore have involved collaborative decision-making processes rather than purchaser-provider or principal-agent relationships. In this regard the government agency was not alone in defining problems and solutions. Community partnerships have also differed from traditional contracting arrangements with longer time frames, a larger potential role in infrastructure decision-making, greater fiscal inter-relationships and increased capacity for risks to be shifted to either side of the partnership (Langford, 1965). Qualities such as sharing public–private expertise, developing longer-term relationships and mutual adjustment have been identified as beneficial outcomes of community partnerships (Hodge, 2002).

Community-based organisations have had a charter to meet member needs, which has often included meeting the needs of local communities. Community partnerships have also supported communities through working together to achieve mutually compatible goals, with joint decision-making and sharing of risk and goals (Boase, 2000). However, such arrangements can be selective. For example, a general trend for such PPPs has been for governments in such arrangements to pay for services but not for infrastructure (Besley & Ghatak, 2001).

In any public–private partnership, governance responsibilities for community organisations are central to the effective implementation of desired outcomes. Shergold (2005) outlined specific governance criteria for effective partnering in Australia which can be summarised to include:

1. probity in the allocation of resources;
2. continuous audit, especially by external agents;
3. evaluation to ensure that outcomes are being met;
4. accountability to parliament, both for processes and outcomes; and,
5. public scrutiny.

Local communities, rural communities in particular, have been able to benefit socially as well as economically from public–private partnerships, particularly where community-based organisations have been involved. Menchin (2002, pp. 2-10) identified five major benefits to rural communities in Australia regarding such partnerships:
1. They are a means for the local community to access services (for example, direct community services such as community-based aged care services);

2. They can enhance the competitive position of local employers and industry by providing them with appropriately trained and skilled staff (such as with traineeships);

3. Community-based organisations can attract a pool of highly trained staff to rural communities (such as those with higher degrees – often community-based organisations can find themselves as one of the largest employers in rural communities);

4. These organisations can provide a forum for public policy debate (such as with community planning processes); and

5. By accessing government funding a significant economic boost can be injected into local communities (which also involves a multiplier effect where other services and businesses benefit along the supply chain).

Community service governance responsibilities relate to the provision of services to targeted individuals as well as to enhancing the social capital of the wider community. Such aims can are supported and also challenged by Government policy.

2.4 Changing Policy Context

2.4.1 Community-based organisations

In the 1990’s, community-based organisations in Australia underwent significant change. Many of these changes were in response to changes of government policy. This has included a change also in the philosophy regarding the operations of the public sector. This may be attributed to the impact upon the public sector of a variety of notions and theories that are often grouped together under the heading of "economic rationalism". It is an economic theory and as such implies, amongst other things, a concentration on measuring outputs. The strengths of this approach have included an increased focus on and better targeting of policy, and renewed emphases not just on the notion of accountability, but on the way that accountability is measured. It has influenced and changed the policy framework and the models of service delivery in the community sector (Brown, 2001).

As stated in previous sections, community-based organisations have been based upon funded service program directives and, as such, have acted to varying degrees as
policy implementation arms of the funding departments. The relationship with the
funding body has been basically a statutory one, defined by the norms of public
administration theory (Bishop & Davis, 2002). This approach has had major
implications in that it directly provides a way in which ordinary people in the
community can play an active role in the day-to-day administration and
implementation of government policy. Democracy can be deemed to mean more than
just the ability to vote in elections. Bishop and Davis (2002) have argued that a
democratic society means, in a much fuller sense, the right of all the members of that
society to be able to participate in the way in which the law is administered and the
way in which government policy is formulated and implemented.

Seen from this perspective, the traditional public administration approach was a way
of enhancing the democratic qualities of our society and was consistent with theories
of community development that became popular in the 1980s (Bishop & Davis,
2002). People were supported to identify and articulate needs and issues that were
relevant to them, and then assisted to work collectively or cooperatively towards the
resolution of those needs and issues – the basis of social capital. As part of this
process, both the individual and the community in which the individual lives could
progress. The individual was then able to develop in knowledge, skills, and political
awareness, which could enhance self-confidence. Following this paradigm, the
community was able to grow socially through enhanced solidarity (or sense of
community), politically in its capacity for decision making and exercising political
influence, and economically by achieving an increase in its material resources such as
services or facilities (Henry, Lane & Roach, 1990).

In contrast, in the 1990’s the relationship between the community services sector and
the departments, which were charged with the implementation of policy, has been one
arguably dictated by the precepts of economic rationalism, in particular the emphasis
on outcomes. This has had a significant impact upon the relationship between
community-based organisations and funding departments. Concrete expression of
these sorts of changes can be found in the various reviews of what might be broadly
called “the community services sector” that were undertaken in Australia, in the early
1990s (Commonwealth Department of Family and Community Services, 2001). Key
features of these reviews were indicative of particular thinking: cutting input costs;
efficiency; simplification; stringent performance evaluation; and needs analysis. With such reviews, proposals were presented to the departmental staff and the industry at large for ‘discussion’, but at the same time it was made clear that these fundamentals were non-negotiable, confirming the view that the development of social policy only partially follows the pattern of policy development in other fields (Bishop & Davis, 2003). The reviews, however, relied for implementation of the proposed changes on the community development model, which embraces the notion of community management, has been defined as:

a strategy of community development whereby a service or project is managed and controlled (as far as is possible within the limits of patronage through outside funding) by a group of people who are its consumers and/or constituents; that is, members of the defined community which the service or project targets. (Henry, Lane & Roach, 1990, p. 3)

According to Lyons (2001c), this model has been much favoured by governments because it enables them to avoid paying for management costs. This management model, however, sits uncomfortably with the demands imposed by the economic model. For example, how can homeless young people effectively manage a service that is designed to provide them with accommodation? How can clients with an intellectual disability effectively manage all aspects of their own residential care? How could semi-literate people effectively manage their own employment service?

The solution, according to Lyons (2001c), seemed to lie in the adoption of management models from the business world, and to build the management committees of the funded organisations with people with business or professional experience. This involved the adoption of the corporate management model, particularly by the larger community-based organisations, wherein the members of the organisation elected a committee of management to run the organisation. This committee would in turn be responsible to the members for the performance of the organisation. The committee was responsible for developing and articulating a mission statement, or “vision”, and then appointing and empowering a Chief Executive Officer (or equivalent) to develop and implement strategies to carry out the mission to be fulfilled.
A further imperative to the adoption of the corporate management model were the changes made to the method of funding from grant-based programs to funding by way of competitive tender, which became the norm (particularly in Commonwealth programs) in the 1990’s. These changes have had considerable impacts on community-based organisations and the people that they service. One particular issue has been the loss of rights of redress that has accompanied the move from statutory relationships to contractual relationships. If a person or an organisation was unhappy with the outcome of a decision in a statutory process, that person or organisation would normally have access to a number of administrative legal remedies. Lyons (2001c) stated that at least with respect to decisions involving Commonwealth policy or programs, reasons for the decision would be readily available, and other information might be obtained under the Commonwealth Freedom of Information Act 1982. An aggrieved person would also normally have access to an independent tribunal, which could review the merits of the decision, or they may complain to the Ombudsman. If the legality of the decision was in question, the person or the organisation would have rights to review under the Commonwealth Administrative Decisions (Judicial Review) Act 1977. Additionally, personal information held by a government agency would be safeguarded by the Information Privacy Principles set out in the Commonwealth Privacy Act 1988. By way of contrast, according to Lyons (2001c), if a decision was made under a contract, or a service was provided under a contract, none of these remedies would be available. Lyons (2001c) further argues that a person with a complaint about a service provided by a contractor may have no private legal redress because usually there was no contractual relationship with the service provider. This problem was attempted to be addressed in the contracting-out of government services (Administrative Review Council Report, cited in Lyons, 2001c), which found that there had been a significant reduction in the rights of the individuals using such services and a substantial reduction in the accountability of government associated with contracting out. The report (as cited by Lyons 2001c, p. 8) made a number of recommendations including:

1. requiring better information management of the contracting out process to ensure adequate monitoring and review;
2. a requirement for contractors to have in place complaint handling procedures of the kind promoted by Standards Australia;
3. expanding the jurisdiction of the Ombudsman to investigate and report on the conduct of contract service providers;
4. extension of the Commonwealth Freedom of Information Act 1982 to cover all information held by the contractors that relates to government contracts;
5. provision for comprehensive merit review in relation to decisions made by contract service providers; and,
6. extension of the Commonwealth Administrative Decisions (Judicial Review) Act 1977 procedures to cover decisions made by contract service providers under a delegated decision-making power.

It is interesting to note that none of these recommendations was implemented by either Commonwealth or State governments. Public policy in community service delivery, continued down a path of tightening the reins in an environment where the same accountabilities did not apply for government departments as they did with the service providers’ management committees and boards being funded to deliver the programs.

2.4.2 Dealing with the Problems

Managing a non-profit organisation has been identified as being different to managing a private sector business organisation. Some similarities might have included facing the same obligations that apply with legislation such as occupational health and safety. Ordinarily companies have had to survive in a competitive environment and have been subject to the discipline of the market. Sometimes a community-based organisation would find itself subject to competition, but more frequently it would exist to provide a service that was not provided by either the government or the private sector. In some cases an organisation would exist to only provide government funded services and have a constitution that followed such requisites. Because community-based organisations were not driven by the profit motive, there were important differences in how their effectiveness, including outcomes, was measured.

The performance of a company has been assessed by a range of indicators, with the most basic one being profit. Company directors were remunerated, whereas the people composing the committee of management of a community-based organisation were not (Stewart-Weeks, 2003). This by itself has suggested that the motivation of the two groups might be significantly different. For the community-based organisation the activities of the management committee would play a significant role in the
effectiveness of the organisation and its accountability. This in turn would influence
the management systems in place in the organisation. The model of governance
adopted would inherently dictate a range of requirements and implications for the
organisation including: influencing the size and composition of its management
committee; its management techniques; and, its capacity to deal with issues such as
conflict, managing change, and measuring performance (Lyons, 2001b).

Literature has suggested that little is known about how well managed these
community services organisations are (Lyons, 2002), which may also indicate that the
public policy changes referred to in previous sections, might not have been able to be
tracked in terms of any correlating community services organisational structural
changes. McDonald (1999) highlighted that committee members are uncertain of their
legal rights and responsibilities, and unclear about the relationship between the
committee and the staff. She also found that the committee members lacked sufficient
knowledge to fully engage in their role, and that this problem probably got worse with
increasing organisational size. This meant that the committee (or an individual
member) was not likely to be in a position to ask the right questions, or to assess the
adequacy of the answers they were given. Because the committees tended to be self-
selecting, the introduction of new members onto the committee did not address the
problem. McDonald outlined situations where committees were not leading, but being
led by staff, and described that many committees tend to end up as little more than
advisory bodies with the CEO having ownership of the organisation.

Committee members have acted largely in good faith and supposedly in the best
interests of the organisation, and have also tended to follow their common law
obligations to act with due care, skill, and diligence. In NSW the Associations
Incorporation Act 1984 (New South Wales Government, 1984) and Commonwealth
corporations legislative requirements have led to individual committee members being
personally liable for not following due diligence in their governance responsibilities.
Many committee members have been concerned about their personal liabilities, and
risk management has become an increasingly important approach, including utilising
the dictates of policy to manage and govern community-based organisations.
A model that has been applied by community-based organisations to manage risks associated with governance responsibilities is the Carver Model (Carver, 1997; Carver & Carver, 2002). Here a process of policy governance has assisted to clarify management and board roles and responsibilities.
2.5 The Carver Model

2.5.1 General Governance Application

The Carver model is also referred to as “Policy Governance”, a registered trade mark of the author (Carver, 1997). It has also been characterised as a form of corporate management that is also best utilised by not-for-profit organisations (Carver & Carver, 2002). In the context of extraordinary and ordinary management practices outlined in the previous chapter, it has been claimed that “Policy Governance” can provide a revolution in organisational governance-management relationships (Carver & Carver, 2002).

As a relatively prescriptive approach, it requires the board (or committee) to establish a series of organisational ends within which the CEO is free (within limits set by the board) to determine the means of achievement of the ends. Ends are defined prescriptively as goals or aspirations in terms of results, recipients, and costs (Carver & Carver, 2002). Means, on the other hand, are defined proscriptively (i.e. in terms of prohibitions setting out what is not to be done), and include any organisational issues that are not ends. This, it is said, liberates the board from organisational issues, enabling it to “…stay largely engaged in the study, consultation, and value-laden decision making required for ends determination” (Carver & Carver, 2002, p. 24). In this model, policy is conceived in terms of a set of concentric circles representing different levels of policy detail as outlined in Figure 1.

According to the model, direct control by the board of the outermost circle (the most general policy level) has allowed for indirect control of the inner circles that contain the more detailed policies. The circles have been divided in four quadrants representing the different types of policies that are claimed to be necessary to implement the model: ends, executive limitations, board–CEO linkage, and governance processes (Carver & Carver, 2002, p. 25).
Figure 1: The Four Policy Governance Quadrants (Carver & Carver, 2002, p. 24)

Once the board has addressed ends and executive limitations of the CEO, the board’s role becomes one of monitoring to determine if the ends are realistic or in need of modification, and monitoring the performance of the CEO. Interestingly, the model has required formal monitoring only of ends and executive limitations, while the board–CEO linkage and governance processes are subject to self-evaluation by the board. All this may occur systematically within the context of a plan extending over a number of years.

2.5.2 Application to Community-based organisations

A first observation that could be made about this model of governance is the critical role it has assigned to the CEO. Here a number of issues can be raised, particularly as any corporate management model of governance that defines separate board and CEO
functions may lead to conflict. This tension is created arguably from a structural feature of the model, and is not dependent on personalities, which by themselves could be a source of significant conflict (Brundy & Nobbie, 2002). Because the CEO is deemed to be the sole link between the management committee and the organisation, the matter of trust might become an issue. It would clearly not be in the interests of the CEO to bring to the attention of the board any matters, of which s/he would prefer they remain ignorant, especially if there was no specific requirement for disclosure. It would also be possible, within the context of policies that are designed or intended to enlighten the board, to present information in such a way as to pre-empt a decision or to ‘massage’ the decision-making process in a particular direction. There is evidence that boards have used this model as a form of risk management (Brundy & Nobbie, 2002).

A second observation that could be made relates to the fact that the model has equated CEO performance with organisational performance. To this end, the model has relied upon monitoring and evaluating the CEO and not necessarily the organisation or any particular program that it might be engaged in delivering. There would appear to be the possibility that a person could be rated lowly in terms of personal performance as CEO, yet, by reason of the competence of the organisation’s staff, a particular program or indeed the whole organisation, could be performing its functions well and achieving its expected outcomes. The reverse could also apply (i.e. the CEO could be performing well but the staff not).

It could be argued that the board devising the appropriate policies and their associated monitoring regimes could overcome such concerns, but this leads to the third observation. Developing policies and related accountability structures may be beyond the means of most community services boards collectively and many board members individually.

A fourth observation that could be made is that the model does not take account of a number of factors that can have a significant influence on the management and governance of a community-based organisation. In the first place, the model would seem inappropriate for small organisations with a limited staff and a small budget, especially those that are single service providers. Such organisations may have had
neither the time, nor the resources to devote to such complexities as policy governance. Boards in these organisations have been facing expectations from both staff and the funding bodies that they will have at least a good working knowledge of the day-to-day operations of the organisation.

The age of the organisation may also raise issues that do not appear to have been directly addressed by the model. Organisations may have developed over time a culture that is not amenable to change could be anticipated from the Carver model (Brundy & Nobby, 2002). Organisational history might also be relevant if the organisation has a past, where some kind of trauma has required an adaptive response. The imposition of a top-down policy change over the adaptive response could have been seen as a particular affront to the organisational culture. This might have been the case particularly if staff members had no real input into the policy’s development (Brundy & Nobby, 2002).

2.6 Conclusions

Whilst clearly not a panacea for all the challenges faced by community-based organisations, the Carver model has been identified as at least a useful starting point for those organisations requiring a more structured and systematic approach to their governance. However, it might not have universal applicability. For example, smaller community based organisations without the means to employ a CEO would not be able to apply such a policy framework. It was also identified that the Carver model had been used as risk management tool. Using such an approach would also not abrogate due diligence governance responsibilities for board or committee members that have been outlined in the previous sections.

With regard to the case study organisation, it has been noted that it was in a growth phase. The Carver model could be as used as one of the tools to facilitate the development of required infrastructure to meet its next growth and development phases. For example, the committee had planned to create a CEO (General Manager) position as the organisation grew and would need accountability policies for the relationship between the committee and the new General Manager. This position, and
related policy governance structure, could also assist the committee to move away from management functions to becoming more of a governing board.

Credible research on the policy governance model around 2000-2001 was lacking both in Australia and internationally. However, experience of using the model was accumulating (see Carver, 2000; Kubala, 1999). Research on the effectiveness of the model could be problematic. For example, claims by a board or CEO that it follows a governance model would not necessarily constitute evidence that it was being practiced.

Research on governance responsibilities is very limited, as Carver (1997, p. 8) has described:

though possessed of ultimate organizational power, the governing board is understudied and underdeveloped. Here we confront a flagrant irony in management literature: where opportunity for leadership is greatest, job design is poorest. It is little wonder that non-profit organization boards have difficulty, for their faults include those of profit boards, plus those peculiarly contributed by their artificial markets.

Hence there is a justification for further research on the efficacy of the Carver model, particularly as applied to community services organisations. The organisational context will now be described in Chapter Three with a detailed account and profile of the organisation, including its external and internal environments and challenges.
CHAPTER 3

CASE STUDY ORGANISATION

3.1 Overview of Organisation

The case study organisation, Bay and Basin Community Resources Inc., was established in 1991 in response to a community need for youth and community services. In 2002, the organisation was providing support for 22 different service areas. This made it relatively unusual in the diversity of services that were being supported as a community service organisation. Such a range of community services in New South Wales would normally be delivered by service providers that were either direct government services (for example, N.S.W. Department of Community Services or local government), or larger non-government organisations. It is relatively unusual for a small community-based organisation to be providing the level of service it supported.

Bay and Basin Community Resources Inc. (BBCRI) has provided services in the Shoalhaven region from Berry in the north to just north of Bateman’s Bay in the south. The offices were located in Sanctuary Point (next to St. Georges Basin) which was approximately 200 km south of Sydney, in the State of New South Wales. The name Bay and Basin refers to the dual water features of Jervis Bay (a bay) and St Georges Basin (an inlet) that have characterised the geographical area around Sanctuary Point. BBCRI was originally established to provide services in the Bay and Basin area. Figure 2 below provides a reference to the locations mentioned above.
3.2 Geography and Population Overview of the Shoalhaven

The Shoalhaven was situated on the New South Wales Coast with an area of 4,558 sq.km. Within this large area there were many diverse and isolated settlements including 49 town and villages.

The Shoalhaven Local Government Area was one of five Local Government Areas (LGAs) forming the Illawarra Region. An estimate of resident population for the Shoalhaven was 87,650 which gave it the second highest population in the Illawarra Region, after Wollongong (Shoalhaven City Council, 2001). More recent figures have indicated that the area is fast approaching 100,000 with a net migration/growth of over 2% per annum, making it one of the fastest growing regions of NSW (Stubbs, 2004).
BBCRI’s original service delivery area focused on the Bay and Basin area, which was located in the Shoalhaven City Council’s Planning Areas 3 and 4 which had a combined population of 20,057 in 2001 and made up 24.2% of the total population of the Shoalhaven Local Government Area (Shoalhaven City Council, 2001).

In 2002, BBCRI expanded its aged care services into the wider Shoalhaven area, which was identified as part of the larger Illawarra region for State and Federal Planning. According to comparative statistics of Home and Community Care (HACC) Planning Regions, 2002–03, the number of clients in the Illawarra was 9,958. This averaged at 300 clients per 1000 HACC Target Group population, which was slightly higher than the State average of 298 clients (New South Wales Department of Ageing, Disability and Home Care, 2003). However, further demographic data highlighted that the region had a higher proportion of older people than the NSW average (31% aged 55+ years, compared to the rest of NSW 22.5%) and a faster rate of growth for this segment of the population (Shoalhaven City Council, 2001).

Household incomes within the Shoalhaven were markedly lower than the rest of the Illawarra region and the State. The 2001 Census indicated that 41.8% of all Shoalhaven households had weekly incomes of less than $500, compared to 33.8% for the Illawarra Region and 27.9% for NSW (Shoalhaven City Council, 2001).

The area also shared the highest growth rate in NSW of persons 65 and over from 1993–98 (Australian Bureau of Statistics, 2000, p. 15), an increasing ageing population of 3.2%, as well as one of the lowest per-capita incomes in the State. Politically, the organisation operated in an environment with a marginal State seat of approximately 1% at State level (Labor) and swinging voters of 10% away from the Federal member (Liberal) in the 2001 election (New South Wales State Electoral Office, 2001). This provided particular political opportunities in an area with one of the highest growth rates for services (e.g. aged care services), which was coupled with social disadvantage issues, including geographical isolation.

At BBCRI aged care services had grown by over 460% over two-year period 2000–2002 (Bay and Basin Community Resources, 2005). Before this time there had been
little or no growth in services in this area for the previous nine years. Aged care services were the focus of change in the organisation as the rate and size of increase was far higher than for any other section of the organisation.

3.3 BBCRI Aged Care and Organisational Growth

Table 2 below provides a summary of the growth of BBCRI from 1997 to 2005.

Table 2: BBCRI Revenue 1997–2005 (BBCRI, 2005)

From the end of the 1999–2000 Financial Year, when income was $328,421 per annum, to the end of the 2000–2001 Financial Year, when income was $689,963 per annum, there was an increase in financial growth of 110% in the organisation. The period from December 2000 to January 2002 was when the researcher was involved with the research component of this study. This coincided with the greatest period of financial growth for the organisation. By 2001, the small community services organisation was fast heading towards becoming a medium-size organisation (of $1,000,000 per year and over) but still had the infrastructure of a small organisation.

Following the figures provided in the BBCRI Annual Financial Statements (Bay and Basin Community Resources, 2000; Bay and Basin Community Resources, 2001;
Bay and Basin Community Resources, 2002), the following tables were developed to correlate annualized growth in aged care services, other services and management for the Financial Years 1999–2000, 2000–2001 and 2001–2002.

Table 3: BBCRIGrowth in Income 1999-2000 to 2000-2001 (Financial Years)

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Aged Care</th>
<th>Other Services</th>
<th>Service Management</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999–2000 (%)</td>
<td>$95,736</td>
<td>$202,829</td>
<td>$29,856</td>
<td>$328,421</td>
</tr>
<tr>
<td>funding</td>
<td>(29.2%)</td>
<td>(61.8%)</td>
<td>(9.0%)</td>
<td>(100%)</td>
</tr>
<tr>
<td>2000–2001 (%)</td>
<td>$350,252</td>
<td>$238,695</td>
<td>$101,016</td>
<td>$689,963</td>
</tr>
<tr>
<td>funding</td>
<td>(50.8%)</td>
<td>(34.6%)</td>
<td>(14.6%)</td>
<td>(100%)</td>
</tr>
<tr>
<td>% change from</td>
<td>365.1%</td>
<td>117.1%</td>
<td>338.4%</td>
<td>210.1%</td>
</tr>
<tr>
<td>1999–2000 to</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000–2001</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4: BBCRI Growth in Income 2000–2001 to 2001–2002 (Financial Years)

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Aged Care</th>
<th>Other Services</th>
<th>Service Management</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000–2001 (%)</td>
<td>$350,252</td>
<td>$238,695</td>
<td>$101,016</td>
<td>$689,963</td>
</tr>
<tr>
<td>funding</td>
<td>(50.8%)</td>
<td>(34.6%)</td>
<td>(14.6%)</td>
<td>(100%)</td>
</tr>
<tr>
<td>2001–2002 (%)</td>
<td>$440,890</td>
<td>$325,005</td>
<td>$65,672</td>
<td>$831,567</td>
</tr>
<tr>
<td>funding</td>
<td>(53.0%)</td>
<td>(39.1%)</td>
<td>(7.9%)</td>
<td>(100%)</td>
</tr>
<tr>
<td>% change from</td>
<td>125.9%</td>
<td>136.2%</td>
<td>65.0%</td>
<td>120.5%</td>
</tr>
<tr>
<td>2000–2001 to</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2001–2002</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% change from</td>
<td>461.1%</td>
<td>160.0%</td>
<td>220.0%</td>
<td>253.2%</td>
</tr>
<tr>
<td>1999–2000 to</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2001–2002</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

From the data provided in the above tables, the organisation’s finances grew proportionally to 253.2% from 1999–2000 to 2001–2002. For the corresponding period, aged care grew by 461.1%. Effectively aged care services were moving from
incremental to exponential rates of change. Other service areas were only starting to show increases in change, but not to the extent of aged services.

Clearly, the key driver in organisational growth was aged care. The external and internal influences that contributed, as well as limited, this growth will now be discussed.

3.4. **External Environment**

A structural reform of aged care from 1995–2002 in Australia was targeted at improving the quality of care and choices for older Australians and also began to address sustainability of funding for services for an ageing population. A range of funding models for Commonwealth and State funded aged care services precipitated significant change within the aged care industry. These reforms have primarily targeted residential aged care, being the largest part of the industry, but there have also been significant reforms for expanding community aged care services (Aged and Community Services Australia and National Rural Health Alliance, 2004).

There were three main areas of concern related to different approaches to health and community care funding: access; cost; and, quality (Commonwealth Department of Health and Aged Care, 2000). The Organisation for Economic Co-operation and Development (OECD) countries, such as Australia, have strongly emphasised cost containment with an emerging expectation that quality will, of itself, reduce costs (Commonwealth Department of Health and Aged Care, 2000). The funding framework changes that have developed in Australia in the period 1995–2000, included a shift away from historic or cost-based funding towards resource allocation models based more on population need, output, or a mixture of both (Eager, Garrett & Lin, 2001).

Australia’s expenditure on health and welfare services as a proportion of GDP has been under the average for OECD countries (Australian Institute of Health and Welfare, 1999). Australia’s health and government welfare services expenditure has been growing at an average rate of 1.3% per year. The increasing proportion of older
people in Australia has directly led to increases in real health expenditure of around 0.6% per year, well below the growth of GDP per person (about 1.7% per year in the 1990’s) (Australian Institute of Health and Welfare, 1999).

3.5 General Policy Framework Reform Issues

In Australia, the Residential and Community Care programs have been administered under two different Acts of Parliament: The Aged Care Act 1997 and the Home and Community Care Act 1985.

*The Aged Care Act 1997* has governed all aspects of the provision of residential care, flexible care, Community Aged Care Packages (CACPs) and the National Respite for Carers Program (NRCP) to older Australians. It set in place strong quality and consumer protection arrangements (Commonwealth Department of Health and Ageing, 2004b).

*The HACC Act 1985* has followed an original agreement that was entered into between the Federal Government and the States. This agreement has subsequently been amended to streamline the administration of the program and to enable output funding rather than the previous system of subsidising a provider’s costs (Commonwealth Department of Health and Age Care, 2001).

A key concern has been the adequacy of the current planning processes used to allocate new residential and community care resources. The planning ratio based on the number of places per 1,000 people aged 70+ ignores the fact that the group most needing aged care was aged 80+ or 85+ (Australian Government Department of Health and Ageing, 2003). Further, demand in NSW and the adjoining Australian Capital Territory (ACT) was highest for high-care residential services and community care, while the Commonwealth Government planning ratios indicated an oversupply for the State in nursing home beds, meaning most new resources were released as low-care (hostel) residential places – the least needed. The planning ratios also failed to take account of most community care programs, including HACC. As a result,
scarce resources were, in some cases, going to the wrong areas (Aged and Community Services Australia and National Rural Health Alliance, 2004).

Within each State there were differing growth rates in the population in various geographic locations. The outer fringes of cities and popular coastal retirement centres grew more quickly than the established city precincts or inland rural communities. Thus, the demand for services would change over time and obtaining age/sex population projections for each area was identified as necessary for ongoing effective planning, particularly for high growth and demand areas such as the Shoalhaven (Aged and Community Services Australia and National Rural Health Alliance, 2004).

There has been a tendency for Commonwealth Aged Care Approval Rounds and other tendering approaches (such as HACC Expressions of Interest rounds) to increase the number of separate providers of services in given areas. Consistent with the Community Aged Care Industry Policy Committee’s papers on Contestability and Funding and Planning, a case has been argued for more transparent planning processes and a more effective mix of allocation methodologies, including selective tenders and direct allocations as well as open tenders (Aged and Community Services Australia and National Rural Health Alliance, 2004).

There were also historical factors that have influenced funding models. For example, in Australia, services provided by general practitioners and medical specialists have been funded following a fee-for-service model, whilst areas such as health promotion have not followed such a model (Aged and Community Services Australia and National Rural Health Alliance, 2004). Arguments and concerns in the industry and wider public have also been founded on issues such as equity and social justice (distributional), improving efficiencies (productive and allocative issues), the financial viability of rural and remote services and providing incentives (to providers in particular) for undertaking desired strategies and reforms (Aged and Community Services Australia and National Rural Health Alliance, 2004).

The Myer Foundation has identified that there will be increased pressures on service users to contribute more to the costs of their care in the future (The Myer Foundation,
This raises questions of equity in the ability to pay. Resource allocation can be identified in this environment as the process of moving funds or resources from the funders of health care to the providers and consumers of health care (Eager, Garrett & Lin, 2001).

3.5.1 Home and Community Care Program in NSW

In NSW, historically, resource allocation for HACC services was based on program funding until 1999 when the Ageing and Disability Department (ADD), later named the Department of Ageing, Disability and Home Care (DADHC), implemented the Population Group Planning (PGP) model to assist in allocating resources on the basis of service supply and demand data. The model was designed so that data from other government departments and organisations can also be included. The model considered two separate population groups: older people with disabilities and their carers; and younger people with disabilities and their carers. The State was divided into 6 planning regions, each of which had a regional plan. This approach recognised that communities and areas have particular characteristics that need to be recognised when planning, funding and developing services (Australian Government Department of Health and Ageing, 2003).

There have been significant challenges identified with this funding model, particularly concerning the increased demand for services due to population growth and demographic changes in population (e.g. an ageing population). From the Government’s position demand has been planned to be met by: using the current models; delivering more equitable services; changing the mix and spread of specialist services that complement supports that are available in the wider community; and, improving effectiveness and demanding greater outputs from service providers (New South Wales Department of Ageing, Disability and Home Care, 2003).
3.5.2 Framework for Determining Funding Allocations

There have been a range of options for allocating resources from government in the provision of health and welfare services that have been dependent on achieving political, economic and social goals, as well as service goals. The NSW Department of Ageing Disability and Homecare (DADHC) has generally allocated funding by: directly allocating to a known provider; calling for quotations or submissions; selective tendering; and full market involvement (Expression of Interest or Requests for Tender)(New South Wales Department of Ageing, Disability and Home Care, 2003). The Commonwealth Department of Health and Ageing (DoHA) has traditionally allocated funding by annual Aged Care Approval Round tenders, as well as full market involvement (Expression of Interest) (Aged and Community Services and National Rural Health Alliance, 2004). Government funding methods have shifted from loose grants to a purchasing framework where performance is tightly regulated through prescriptive contracts (Aged and Community Services and National Rural Health Alliance, 2004). BBCRI funding contracts were subject to compliance with such prevailing government policies and agendas.

These reforms and processes have provided both opportunities and challenges for community aged care providers such as BBCRI. An analysis of the impacts of these wider reforms will be discussed in the context of internal challenges and changes within the organisation.

3.6 Internal Challenges

The significant growth experienced by BBCRI, as previously discussed, followed decisions made by the management committee in 2001 to maximise opportunities made available through the new reforms and expand the organisation’s aged care service delivery into the wider Shoalhaven. These circumstances assisted BBCRI to secure Federal and State funding through Community Aged Care Packages (CACPs), National Respite for Carers Program (NRCP) and additional Home and Community Care (HACC) Services.
This decision for growth by the management committee was also based on the government opening the market to more for profit as well as not-for-profit organisations who would be competing in the same funding rounds. It was the decision the BBCRI management committee that it had to grow and compete in such an environment or it may not have been able to maintain its viability.

With the success of gaining extra services in 2001, came the urgent need for BBCRI to restructure and make significant organisational changes, especially regarding infrastructure. This was a complex and difficult process for a voluntary management committee to carry out as they had individually and collectively little or no experience in effectively dealing with the challenges of such growth and change. In the course of the change process, some of the strategies undertaken to address these reforms have been summarised below (further details are provided in the analysis sections in Chapters Five and Six):

- a review of the organisation’s constitution to take into consideration the wider distribution of service delivery;
- the development of an organisational Mission, Vision and Values Statement to enhance the professional governance infrastructure requirements for a growing organisation;
- the employment of a General Manager to oversee the day-to-day responsibilities and develop policies, procedures and related systems to enhance service delivery operations;
- the re-structuring and streamlining of aged care services into an ‘one-shop service model’ in line with the objectives which were later outlined in “The Way Forward” policy direction;
- expansion of services to create economies of scale, leading to increased competitiveness;
- a review and strengthening of management, administrative and financial management systems, leading to improved service efficiencies; and,
- a review of ‘user pays options’, noting the high level of ‘financially disadvantaged’ service users in the area.
3.7 Profile of BBCRI Services

By the end of 2001, the following service areas were in operation, which provides a profile of the service activities current during the fieldwork phase of this research project.

3.7.1 Shoalhaven Area (the wider region)

- HACC funded in-home respite service for carers of people with a disability and older people with low to medium and complex needs.
- HACC Community Bus.
- “Bayrest” Program, Commonwealth-funded through NRCP for carers of people with dementia who present with challenging behaviour.
- “Baycare” Program, Commonwealth-funded to provide Community Aged Care Packages which includes personal, domestic, meals and transport.

3.7.2 Bay & Basin Area (part of the Shoalhaven)

- HACC respite centre base day care services operated five days per week.
- HACC carers support group operated once per month.
- Work for the Dole Program funded for 15 participants through Wesley Employment.
- Community Development projects including School Aged Breakfast Club.
- Rural Youth Referral and Information Service.
- Out of hours school care and vacation care programs.
- Community Radio Station.
- Hall hire.

The new services developed provided the voluntary management committee and staff with a range of issues and challenges. The committee was reluctant to work with such challenges due to concerns such as time, knowledge and experience, available management resources and the ability to work effectively in partnerships with new and expanded funded programs. The changes being faced, and the required skills to be
developed, were consistent with Stacey’s (1996) model of extraordinary management, particularly in moving away from an environment of certainty and agreement.

From the researcher’s position, new paradigms for management and service delivery were being called for, particularly in moving from Stacey’s “ordinary” to “extraordinary” management practices. The researcher was able to provide some resources from his community services background. Moving into the ‘unknown’, including for the researcher, required processes and mechanisms for dealing with new ways of operating, which included dealing with risk management and developing new relationships and partnerships (both internally and externally). The organisation was expanding, particularly through the opportunities for growth in its aged care services. This provided a catalyst for changes with organisational structures and infrastructure that could be informed by new learning.

3.8 The Research Question Restated

3.8.1 Civil Society, Change and the Compact Approach

BBCRI was a community-based organisation with strong statement of purpose to meet the community services needs of members of local community in the Shoalhaven. It also had volunteers, including those on the management committee, who were from these local communities themselves. Here a practical example of civil society at work could be cited. Services were being provided for members of local communities by the members of such communities.

As indicated in the previous sections of this Chapter, BBCRI was operating in external and internal environments of significant change. The researcher had also recognised the need to engage key stakeholders in change processes and to be directly involved himself. Action Research as a case study method was identified as the most suitable methodology to meet such research requirements. The merits of this approach will be further discussed in Chapter Four.
3.9 Chapter Summary

The profile of the case study organisation was outlined in this Chapter which included; the geographical location; services provided; the internal and external operating environments (including challenges and opportunities); and, the change environment. The need for investigative research of the Compact Approach using Action Research as a case study method was introduced. The rationale for such a methodological approach, including the case for story-telling as an analytical tool for data collection, will now be discussed in Chapter Four.
CHAPTER 4

METHODOLOGY

4.1 Re-stating the ‘Case’ for a Case Study Approach

A general overview of Action Research methodology will be outlined in this chapter from an historical and methodological position to justify its use in this particular case study. As there was a significant amount of data available from the case study, a methodological problem arose in terms of what to do with the data. Story-telling was chosen as a device so that a chronological sequence of events could be plotted to summarise the data, for further interrogation in the analysis Chapter. Such a methodological position appears to be unprecedented from the literature review undertaken in story-telling methodology.

The title of the research, An Action Research approach to supporting change management and associated governance strategies in a community services organisation, is an attempt to identify general, but also specific, elements that apply to a community services organisation. A case study methodological approach was chosen where a ‘case study’ was defined in terms of both being a process and inquiry about the case as well as the product of that inquiry (Stake, 1983).

In understanding the uniqueness of the case study setting, references can be made to an ‘epistemology of the particular’ where there is a focus on what we can learn from a single case and how each case is like but also unlike other cases, by a process of comparison (Kemmis, 1980; Yin 1989). Cronbach (1982) argued as each setting can be determined as empirically unbounded (that is, theoretically distinct), the primary aim of social science therefore needs to relate to “interpretation in context” not “generalisation”. Such a position may also depend upon each particular context and research requirements. In this research, elements of the ‘particular’, as well as the ‘generalisable’, have been recognised in the specific research context.
In the case study tradition, the constructivist argument is that knowledge is socially constructed where elements of the particular as well as the general have been recognised. Stake and Trumbull (1982) have referred to such processes as “naturalistic generalisation” where the case researcher is involved with one social experience, the observation, to develop another social experience, the report, where the reader is assisted in the construction of knowledge from experience. In addition to this, reference has been made to case studies as portrayals promoting the process of knowing through imagining. This imaginative function that Stake (1983) terms “naturalistic generalisation” can be contrasted with “formalistic generalisation” which is based on propositional knowledge.

Following Weber (1947), it was proposed by Kemmis (1980) that case study works through a method of “verstehen” (empathetic understanding), nourishing imagination and experience as well as propositional knowledge gained through discourse. Kemmis (1980, p. 412) has made the case “…that it is incorrect to consider that there is a distinction between propositional knowledge (which can be stated in words, symbols, or languages) and tacit knowledge (knowing through ‘indwelling’, through our ‘subsidiary awareness of particulars’) as alternatives”. He has proposed that both are aspects of what we call “knowing”. Stake (1983) in outlining naturalistic observation methods in terms of “verstehen” (empathetic understanding) and in outlining the research parameters associated with explanation gained from understanding, developed the notion of “portrayal” in evaluation. Portrayals focus on an intention to create the conditions for knowing (not through saying, but through imagining) what cannot be said. Stake (1983, p. 63) also makes reference to this imaginative function as “naturalistic generalisation” and contrasts it with “formalistic generalisation” which is deemed to attempt to carry meaning across contexts by the force of saying and controlling carefully what can be said.

For case study research, consideration also needs to be made of the knowledge experience of the cognitive (cognising) subject where knowledge is dependent upon action in the context of the research project. In this regard both propositional and tacit knowing can be experienced by all involved in the study with reference to the issues and circumstances of the particular case.
Following such ‘grounding’ in justifying case study methodology in general, Kemmis (1980) has made the claim that a case study is not only naturalistic, but also emancipatory. As it applies to social settings, social research can also be deemed to be political and strategic in that insights arrived at through the case study process have the capacity to work reflexively to change the particular situation studied. The action-possibilities from this position are grounded in the situation itself, not imposed from outside of it. Habermas (1991) has referred to such approaches as “sciences of social action”, which are guided by an emancipatory knowledge-constitutive interest.

Further justification by Kemmis (1980, p. 43) regarding the uniqueness of each case is related to “internal” justification. To the extent to which each case is made accessible through the imagination of the reader through perception-communication (that is to our perception and then understanding of the situation), each case has justification in terms of authenticity, communication and the development of understanding. To the extent that a case study has contributed to emancipation and to action in and around the situation studied, it can be justified in the broader context of social life.

What Kemmis (1980) was arguing was that in order to approach a study as an object of the imagination, the case worker needs to be involved as a cognitive subject. This immersion constitutes the study and the praxis is in action—in undertaking the study and positioning the case. The aspect of intervention in the study focused upon the need for such ‘immersion’ being a deliberate, reflective, methodological process. There also needs to be a stringent process followed by the researcher to be as self-aware and as self-critical as possible about the observations that have been chosen, the hypotheses pursued, the interpretations communicated, the timing of reports, and other related research tasks.

Kemmis (1980) also stressed that actions are not easily represented in words, as much of the meaning or intention can be hidden from what has been described. From this position, case study can create the opportunity for such tacit knowledge to be communicated through the use of rich description. Narrative and story-telling can be used to pursue such purposes.
If a case study can be presented as an imaginative expression, there is also a consideration that conditions could be provided so that the reader can recreate the case in imagination. This further adds legitimacy to providing such rich descriptions of action-contexts. Here the conditions for imagining that which cannot be stated propositionally can allow the reader to imagine him- or herself in the social world of the case studied.

One aspiration of case study reports, then, is to create authentic knowledge for the reader. There is authenticity in that it is grounded in the circumstances of the reader’s life and validated by his/her own experience. The researcher also strives to be authentic in supporting and creating the opportunity for similar insights and perspectives of the participants as well, as they are often a primary audience for the study report. As Habermas (1974, p. 143) has argued, the search for knowledge is always guided by socio-political purposes which he calls “knowledge-constitutive interests”. He has also highlighted a ‘self-regarding’ position of science as ‘disinterested enquiry’ as it has not recognised research’s social purposes. If an aim of science is to increase the power of individuals to understand social life and also to act with understanding, then research can be deemed to always have a political element. In this regard politics can be studied as a condition of social life, especially in relation to the process of negotiation and distribution of power. The question following such a position is not whether a particular research study is political, but how and for whose purpose is the case study being undertaken. Case study research is able to capture the nature of political and power relationships through the study of social settings.

With case study research aiming to increase understanding with reference to action, by implication there is an “educative” element in all processes. Kemmis (1980, p. 130) stated that “…case study takes the phenomena of social life as its objects and its reflexive contribution to social life as its aim”. The question then also can be posed, if case studies are reconstructions of action contexts, what research methodologies can be applied to learn through such understandings and experiences?

Kemmis (1980,p. 132), in this regard, summarised case study as “…a dialectic process achieved through the praxis of the domains of theory (the imagination of the case) and methodology (the invention of the study)”. But how can the researcher
determine which case study is most suitable to achieve desired research results in
theory, methodology and associated praxis, particularly when such outcomes may not
become apparent until after the research has been completed, right up to the last stages
of writing up? In response to such questions, Stake (1983, p. 446) made a claim that
case study selection criteria needs also to include choosing a case or cases where there
can be the most opportunities to learn: “…isn’t it better to learn from an atypical case
than a little from a seemingly ‘typical’ case?”

A fundamental position in qualitative research has related to observations being interpreted in accordance with particular perspectives from researchers spending extended periods of time at the case study location and being personally and directly involved with the activities and operations of the case, including reflecting and revising meaning of what is going on (Stake, 1983, p. 445). Case study research in this regard relates to individualised and group perceptions and experience. This requires research methods where such research processes and requirements are included. However, information and understanding from such cases needs also to recognise the holistic and episodic nature of such personalised and particularised experience (von Wright & Back, 2000).

Kemmis (1980, p. 180) has stated that “…a situation will change of its own accord, so any study of it will decrease in authenticity over time. The social truths reached through case study must therefore be treated historically”. The reflexive nature of social science also requires methodologies that may illuminate such processes so that in the analysis there are the possibilities of not only understanding but “revelation” (Kemmis, 1980, p. 180) as a result.

Given the nature of the case study outlined in the previous chapter, an Action Research methodology was chosen to meet the research requirements of the problematic stated in the beginning of this research paper.

Kemmis and McTaggart (1988, p. 5) have defined Action Research as:

a form of collective self-reflective enquiry undertaken by participants in social situations in order to improve the rationality and justice of their own social or educational practices, as well as their understanding of these practices and the situations in which these practices are carried out.
It is proposed that Action Research provides a way of working which links theory and practice into the one whole, in other words “ideas-in-action” (Kemmis & McTaggart, 1988). Two of the main ideas or themes that have developed from the genesis of the methodology were that of group decision-making and commitment to improvement. Kemmis and McTaggart (1988, p. 6) further elaborate on this position:

A distinctive feature of Action Research is that those affected by planned changes have the primary responsibility for deciding on courses of critically informed action which seem likely to lead to improvement, and for evaluating the results of strategies tried out in practice.

In order to further justify the use of Action Research in this research project, epistemological, historical and methodological perspectives will be outlined in the following sections.

4.2 Action Research Historical Perspectives

It has been generally agreed that the father of “Action Research” was Kurt Lewin (1946) who identified a process of “rational social management” which involved a spiral of steps with each comprising a circle of planning, action and fact-finding about the result of action (Kemmis & McTaggart, 1996). Lewin was a German Jew who fled to America and was particularly concerned about prejudice. This historical background formed a thread for Action Research with an intention not only to affect social practice (and to some extent social justice), but in doing so there was also a need to understand it. Alternatively, there are also some who consider that Collier (as cited in Kemmis & McTaggart, 1996) was the first or ‘father’ of Action Research, but this group is by far the minority as is suggested in Action Research literature.

From the historical overview that Kemmis and McTaggart (1996) have provided, it can be identified that when Action Research was first ‘invented’ there was a strong emphasis on social action. It was intended to support both rational and democratic processes and this was seen as the forerunner to “emancipatory” Action Research where there has been an emphasis on the transfer of the research responsibility to
participants themselves, with the outside scientist adopting a less dominant role and ultimately, becoming one of the participants themselves. This has also developed in response to the danger that the outside ‘researcher’ may co-opt and unduly influence the participants in their social reality.

Central to Action Research has been the work of Jurgen Habermas (1970) who developed a notion of discourse used to define the relationship between researchers and practitioners. Kemmis and McTaggart (1988) referred to three main important aspects of discourse following Habermas’s discourse rationale. The first was that there is critical argument about the nature of action; second, such argument can occur only if participants are committed to the creation of what Habermas (1971) calls an “ideal speech situation”, where participants’ influences of power, prestige and status are placed to one-side so that discussion of alternatives eventuate on an equitable and rational basis; and third, the ‘compulsion to act’ must be set aside so that the discourse can proceed. These also became ideals of Action Research that have some obvious limitations in practice. For example, it could be argued that influences of power and politics are not only latent influences in social settings, but can be the subject of Action Research themselves in a case study setting.

Finger (1996) further elaborated on the work of Habermas, with the concern that discourse could lead to emancipation not based upon the assumption that dialogue would necessarily follow on to symmetrical (or more democratic) communication. Finger saw that the purpose of discourse was to support participants to work together to develop “personality and consciousness through it”. It was in this way that Action Research could be deemed to be truly emancipatory.

Chein, Cook and Harding (1948) in their The field of action research further develop Lewin’s work and argued for a closer relationship between research and problems of social action, and most significantly for the involvement of the wider community in the definition of problems for research. This work also espoused the dialectical relationship with the improvement of understanding and the improvement of action that Lewin had also introduced. With reference to the co-operative element, Shumsky (1996) promoted Action Research as a means of liberating creative and critical thinking by practitioners about their practice concerns in the light of the social process
undertaken by groups and their own co-operative purposes. Shumsky’s position was that Action Research therefore performs a social process, not just an individual or a technical one.

Kemmis and McTaggart (1996) noted in the Third World, Europe and also in Australia, there were some advocates of Action Research who established that the location of Action Research was in the wider field of social theory where cultural and political action were justified under the social theory umbrella.

In Britain, Action Research became a strand or field of organisational development, especially in industrial and organisational environments as well as being established, as it was generally, in response to positivist approaches to educational research. There was a global interest in the interpretive approaches (historical, social-anthropological, phenomenological, symbolic-interactionist, illuminative, practical) which led to an increased following in Action Research which was also absorbed into education very soon after Lewin first introduced it.

A major function of the Action Research program has been a training function. As Lewin established, with Action Research “…we should consider action, research and training as a triangle that should be held together for the sake of any of its corners” (Lewin, 1946). In this regard Action Research has adopted a wider educational perspective, as the ‘educative’ or training purpose can be applied to all Action Research settings.

In Australian community organisations there were also various advocates of Action Research who saw opportunities for Action Research as a form of community-based participatory research (Kemmis & McTaggart, 1996). This approach was not limited to single organisations but was supporting social action for and by whole communities.

In summary, the literature has demonstrated that there has been no absolutely clear agreement about the character of Action Research, what Action Research is, what and who it is for, and how it should implemented in practice. The nature and key attributes of Action Research will now be discussed within a framework of such inconsistencies
and uncertainties, but also by identifying and discussing some of the more foundational or fundamental aspects of the research methodology.

4.3 Nature of Action Research

As has been previously outlined, there is a need for rigorous, careful and systematic processes for any research method and this includes observation and reflection, as they are particularly relevant if Action Research is to be successfully applied.

Grundy and Kemmis (1996, p.322) have reminded us that there are two essential aims of all Action Research activity: to improve and to involve with an aim at improvement in three areas:

1. the improvement of the practice;
2. the improvement (or professional development) of the understanding of the practice by its practitioners; and
3. the improvement of the situation in which the practice takes place.

The aim of involvement is for the working together of key stakeholders to achieve these three goals of improvement.

Grundy and Kemmis (1996, p. 322) made a further point that strategic action, particularly in Action Research, was constructed and essentially risky:

it takes place in the space between the foreseen and the unforeseeable, the intentional and the actual, the ‘is’ and the ‘ought’. Action Research makes the ‘probing’ character of strategic action problematic; it reconstructs past action on the basis of observation and future action in the light of reflection. It does not treat the space between these polarities as empty, but as in a state of dynamic tension which is resolved by a living dialectic of action and reflection.

The element of participation is fundamental to Action Research. Hall (1979, p. 102) has identified the following key components in participatory research, also worthy of consideration in Action Research:

1. The problem originates in the community itself and the problem is defined, analysed, and solved by the community.
2. The ultimate goal of research is the radical transformation of social reality and the improvement of lives of the people involved. The beneficiaries of the research are members of the community itself.
3. Participatory research involves the full and active participation of the community in the entire research process.
4. Participatory research involves a whole range of powerless groups of people; the exploited, the poor, the oppressed, the marginal, etc.
5. The process of participatory research can create a greater awareness in the people of their own resources and mobilise them for self-reliant development.
6. It is a more scientific method of research in that participation of the community in the research process facilitates a more accurate and authentic analysis of social reality.
7. The researcher is a committed participant and learner in the process of research, which leads to militancy on his/her part, rather than detachment.

To undertake Action Research is to embark on a cycle of planning strategic action; implementing the action; observing the action itself as it occurs in the real situation; the effects of the action and the circumstances in which the action occurs; and reflecting on the action, effects and circumstances, and on the rationale for action as the basis for further strategic action. It is understood that all of these processes need to be undertaken in a careful, systematic and rigorous way (Brown, Henry, Henry & McTaggart, 1982).

Three modes of Action Research can be identified: technical, practical, and emancipatory. Grundy (1997) has attributed the first two modes of thought to Aristotle and the latter to critical theorists such as Habermas. In relation to these three modes Grundy also posed three kinds of activity: 1) the extension of critical ‘theorems’; 2) the ‘organisation of enlightenment’; and 3) the ‘organisation of action’.

The author outlined that they differ according to the underlying assumptions and worldviews of the participants and were influenced by subtle variations in the application of each methodology. However, Grundy stressed the difference in the relationship between the participants and the source, and the scope of the guiding ‘idea’ can be traced to the question of power. In technical Action Research it was the ‘idea’ which was the source of power for action and since that ‘idea’ often resided with the facilitator, it was the facilitator who controlled power in the project. In practical Action Research, power has been shared within a group of equal participants, but the emphasis was upon individual power for action. Power in emancipatory Action Research has resided wholly with the group, not with the
facilitator and not with the individuals within the group. It is often this change in power relationships within a group that, according to Grundy (1982), has caused a shift from one mode to another.

Mezirow (1996, p. 143) has reminded us of the three distinct but interrelated learning domains utilised in Action Research, following Habermas’s three primary cognitive interests: the technical (involving instrumental action); the practical (communicative action); and the emancipatory (self-knowledge/self-reflection). These interests were noted to be established in three different aspects of social existence: work, interaction, and power.

In this regard Mezirow claimed, from a Hermeneutic position, that the concept of emancipatory action was synonymous with ‘perspective transformation’. Here perspective transformation was deemed to be the emancipatory process:

of becoming critically aware of how and why the structure of psycho-cultural assumptions has come to constrain the way we see ourselves and our relationships, reconstituting this structure to permit a more inclusive and discriminating integration of experience and acting upon these new understandings. (Mezirow, 2001, p. 145)

In an organisational environment, Foster (1972) has articulated the role of the Action Research consultant similar to that of a facilitator, which arguably poses the risks of the participants being co-opted.

However, the politics and decision making approaches in an organisation are often complex and may require the support of a facilitator role, as the ideal nature of the environment that Lewin saw as a goal for Action Research may not be operating without certain influences, as the following scenario illustrates.

When the research began there was the expectation that managers' decision-making styles would change as they progressed through their careers. We found that decision-making profiles do a complete flip over the course of a career: that is the decision style of a successful CEO is the opposite of a successful first-line supervisor’s. In the leadership (or public) mode, we see a progression toward the maximising styles – where an executive prefers to gather a lot of information and thinks things through – and, at the highest executive levels, an uptake in the styles favouring one course of action.
There’s a logic as well as an interdependence to the way the two aspects of decision making evolve. As you may move up the ladder, you move further and further away from where the action takes place, so it is easy to lose touch with what is really going on in the organisation. It’s essential to use a leadership style that keeps the information pipeline open and the data flowing freely, so you have access to the best information and analysis. That’s why the flexible and integrative styles dominate at the senior executive level. There is also a transition period noted in between a “no man’s land”. (Brousseau, Driver, Hourihan & Larsson, 2006, p. 176)

This scenario highlights that there are different levels of reality, including decision-making styles associated with the position in an organisation. Also the importance of the relative distance from the ‘direct line action’ is indicated. Action Research needs to be able to ‘pitch’ at all levels of an organisation with recognition that the action dramas are also played out in terms of not only position, but the power and political regimes that operate.

Literature has demonstrated that there are a whole range of methods used in Action Research (Foster, 1972). It can be argued that the methods are not as critical as other elements such as power relationships and being reflexive. A central tenet in this regard is to engage ‘others’ in a process aimed at bringing about what can be perceived as a ‘real’ outcome for everybody involved directly in the research project. This would be for as wide a range of stakeholders as possible. There are also a complexity of other factors to consider, including how wide will the influence be, being realistic about what level of change, and starting with the end in mind (or not, e.g. focusing on the process and see what happens) (Foster, 1972).

Action Research has developed very much out of the need to bridge between theory and practice and social change. However, it can be claimed that if you want to change the world it is not so much about issues themselves but about context and relationships, particularly at a local or ‘coalface’ level. Action Research is particularly well placed as methodology to deal with such ‘direct’ issues.

From a phenomenological perspective, van Manen (1996,p. 160) also positioned Action Research as having the task to always “…question the way we experience the world, to want to know the world in which we live”. Phenomenology is also referred to here as a philosophy of the unique (which can be contrasted to traditional research
which is arguably largely interested in knowledge that is generalisable) - it is interested in what is essentially not replaceable. The point is also made that Action Research has the task to question such ‘lived’ experience.

In the evolving development of an Action Research project, there can be an increasingly widening circle of those affected by the practice who may become involved in the research process. In this regard the circle of influence regarding politics, innovation and change can become increasingly ‘enmeshing’ as a project evolves.

Post modernism has highlighted a crisis in action, particularly regarding the nature of truth and the multiple positions and perspectives that can operate within one setting. Arguably, Action Research can be identified as the best tool to operate in such environments, particularly as it can be contextualised. Such contexts can be far reaching including historical, geographical, discursive, and theoretical (different discourses) (Foster, 1972).

With Action Research, there is acknowledgement that something has gone on beforehand. With other research, the researcher comes and begins research. In Action Research, the historical context is particularly relevant and the researcher comes in at a particular point in a longer and wider process. The art and science of Action Research is also a response to technical–rational solutions, as they can be deemed to avoid the need for personal skill, competence and tactfulness that are informed by pedagogic thoughtfulness (Mezirow, 1996).

Some authors have also claimed that positivist research is the political instrument of oppression. For example, Hall (2001, p. 21) challenges the research community:

> are we, as social researchers, imposing meanings derived from a view of science on those with whom we work, or are we tapping, elaborating, challenging and extending participants’ own critical understandings of their and our own situations?

The challenge here has been to utilise methodologies that encourage authentic engagement of the researchers, as well as the ‘participants’ in programs of social
reforms where the processes can be largely managed by the communities themselves. There are real dangers that Action Research may become too individualistic if there is a lack of a group critique in the research process. Fals Borda (2001, p.17) stressed “…that action research must engage the world, work and cultural and political aspirations of those for whom it is intended”. One of the critical elements of the Action Research methodology to ensure these dangers can be averted is the emphasis on reflexive processes to which I now turn my attention.

4.3.1 Reflexive Processes and Critical Consciousness

As previously stated, a traditional more positivist academic view is that it is the person or researcher who ‘knows’. In Action Research the collaborative discovery as the group being the creator of knowledge supports a more generalised position of power. Consultation with and involvement of the key stakeholders provides for active involvement and participation in decision-making processes.

This power dimension is a central tenet of Action Research and this includes the need for learning how power works in particular organisations. As previously stated, this may not be so much about agreed-upon methods, but about power relations and being reflexive.

The reflective process can be used as a checking mechanism for dealing with such issues as power relationships at various levels. Reflection is also connected to seeing. Observation and perception, for example, are what we see and this leads to what we believe. A systemic reflective process is an intrinsic part of the Action Research process of planning, acting, observing and reflecting. In this cycle reflecting seeks to make sense of processes, problems, issues and constraints that become manifest in strategic action (Kemmis & McTaggart, 1996). In this regard, reflection can support a variety of perspectives in the social situation to be considered. Reflection in this cycle can involve participant discussion where, through discourse, group reflection can lead to the reconstruction of meaning in social situations, which can then provide the basis for a revised plan. This can be evaluative, but it can also be descriptive in issue-building, picture-building and consciousness-raising.
The reflexive process or reflection is not just limited to a part in the cycle of Action Research; it is an integral and systematic part of all research activity. Reflection can be tied to all seeing (observation), but participants often don’t take the time to reflect unless it is systematically factored-into the research process so that it can also become a checking process at different levels (Kemmis, 1996).

Reflexivity as a learning process has been identified as ‘Action Learning’ in Action Research (Dick, 1997) where learning is identified as a process in which a group of people come together more or less regularly to help each other to learn from their experience. This is in contrast to the cyclic methodological nature of Action Research. A summary of purposes, following Bunning (1997), provides a clear point of reference and differentiation in the understanding of action, learning and research.

1. Action: *Improve the world.*
3. Action research: *Improvement and public learning.*
4. Research: *Understand the world and public learning.*

Here it has been identified that Action Learning has more of a personal focus and Action Research more of a public/research orientation. However, both provide the opportunity for enlightenment through learning and emancipation through the shared learning processes. Argyris and Schon (1989) further expounded upon the scientific nature of Action Research where Action Science is deemed to be a form of Action Research where there are methods to increase utility, a complementary way of constructing causality, and a methodology of causal inference. The nature of scientific enquiry in Action Research is dependent upon clarity of the epistemological and ontological issues that apply and relate to each particular research problematic.

It is therefore important in the research setting to discuss ‘up front’ as to how such reflective processes could emerge and how they can be planned for. Such dynamics are important, especially if change is brought about in the research setting and there may not be control over some of the processes. The shared control, ownership and decision- making also applies to agreement to the methodology to be employed. It can
be claimed that the extent to which one moves away from the groups that are most
effected by change, is where one moves away from Action Research (where subject–
object rift increases) (Kemmis, 1996). Discourse and reflexivity applies to
collaborative learning, especially as it is an essential component of the critical
pedagogy. Here there is a need to involve the people who are experiencing the
situation and those who are (or will be) effected by the change, in dialogue and
reflective strategies which can allow such stakeholders to shape the research
processes, as well as the outcomes. The process of continual reflecting about
substantive as well as process issues provides the opportunity of leading to effective
change. The notion of ‘changes in practice’ as a central feature of Action Research is
also contingent upon strategic action being a tool or probe for improvement as well as

Action Research can arguably reach its greatest potential when it empowers
stakeholders to transform their practice in a process of continual self-renewal.
Through strategic action, practitioners begin to realise their power to overturn
institutional assumptions and habitual ways of thinking. They may be emancipated
from such constraints through the processes of collaborative effort, rigorous critique
and self-reflection. The links between knowledge about learning, personal knowledge,
and the commitment to further strategic action become more established (Brown,

Action Research can support democratic values and processes which can be expressed
in the notion of a self-reflective community or organisation. Of particular interest is
that in practice the critical process often begins with groups of people of real and
apparent differences in status and power agreeing to work collaboratively on
particular problems of mutual concern and consequence (Brown, Henry, Henry &
McTaggart, 1996).

This again raises Lewin’s ideal of symmetry where, as an ‘ideal’, it is not often (and
perhaps rarely) apparent in practice. Through discourse and reflexivity, it may be an
ideal to work towards in the Action Research process and is to some extent achievable
where all stakeholders can develop a trust in the research protocols. As McTaggart
and Garbutcheon-Singh (1996, p. 415) note, the positive and somewhat idealistic
values of Action Research, such as truth, rationality, and justice, need to be considered as problematic and tested (for contradictions) in practice. In this regard understanding leading to enlightenment can be deemed not just as an end in itself but an incremental continuous balance and struggle.

Critical consciousness in Action Research has involved collective thought and action and where this is overly individualistic it can hinder the research process. Critical consciousness involves deliberate action guided by reflection, which can be contrasted to behaving from habit or the dictates of tradition. Reflection involves rethinking the theories and values that inform actions, particularly unexamined, habitual behaviour. Critical reflection regarding values that become manifest in particular research settings is particularly important, as such values in and around practice are often held tacitly, or expressed rhetorically, and these need to be reflected upon to ensure that action is not unduly influenced by them. The involvement of stakeholders in such processes, where there is a unity between theory and practice, is fundamental in transformation processes for critical, reflective communities, including organisations.

4.3.2 Action Research as Unity between Theory and Practice

Moser (1996) (cited in Finger, 1996) concluded that unity between theory and practice can be achieved in Action Research “...if the actors take their destiny in their own hands”. This may also be possible also where unification between political actions and emancipatory scientific research is in operation.

Finger argued that classical social research methods are unable to effectively involve the social, political and human dimensions of the relation between the subject and object, for example between the researcher and participants. Reference was made that Moser (in Finger, 1996), like Habermas, believed that discourse-situations were in themselves emancipatory. However, above the level of discourse, Finger noted that it is the development of the individual, such as in ‘self-development’, which was the most emancipatory outcome of Action Research.
Further to this position, Freire (1996) identified that concrete reality provides the connection between subjectivity and objectivity, where objectivity can never be totally isolated from subjectivity. In this regard Freire perceived reality as a dialectical relationship between objectivity and subjectivity, also where people in the area being studied need to be involved and not become passive subjects.

Therefore, in undertaking research, the researcher is being educated at the same time the subjects are being educated. The plans resulting from these investigative processes implemented into practice are also seen to change the level of consciousness of those involved, which results in further change and then ongoing research. Here the dynamic between researching and acting on the results of the research can be seen to bridge the gap between subjectivity and objectivity if consciousness-raising, through reflective processes, can operate.

From an epistemological position, Fals Borda (2001) raised the dimension of the ‘fact’ as an historical process and ‘reality’ as a ‘complex of processes’. This was based also on the notion that there can be no reality without history. In this regard ‘facts’ were seen to make up ‘trends’. Here, praxis was conceived as being above all political, and that the problem of Action Research involved the dynamic between researchers and the levels through which political influence was developed. Whilst this position was based upon Hegel’s notion that man is the creation of his own toil (seen as the original form of human praxis), the historical context is a valid position in considering the nature of multiple perspectives, or realities, and the position of ‘fact’ (Grundy & Kemmis, 1996).

Further to the nature of reality in Action Research being explained retrospectively, Grundy and Kemmis (1996, p. 132) have asserted that:

(a) behaviour, regarded as such, might be retrospectively explained by reference to theoretical or empirical propositions, but it cannot be justified by appeal to these propositions; (b) theoretical principles can inform but cannot justify practical action; and (c) practical action must be justified by reference to the practical judgement of the practitioner as well as the circumstances and determinants which constrain them.
In other words, history can be used as a determinant in social action, but it cannot always be used as an excuse to act. The role of self-reflection again plays a key role which Grundy and Kemmis relate to authenticity where, when personal knowledge arises out of one’s own rational reflection upon one’s strategic action, it may be regarded as authentic.

The spiral of Action Research has been identified as an organised process of learning, or the organisation of enlightenment (Habermas, 1970). However, if what is learned in one cycle is not applied studiously in further cycles of modifying plans, implementing them, monitoring the amended action, and reflecting again, then the Action Research process may disintegrate into mere problem solving, or exercises in rationalisation of action.

Grundy and Kemmis (1996, p. 134) have referred to these “single loop” activities as “arrested action research”. These authors suggest that three kinds of arrested Action Research stand out in contemporary Action Research:

- The first is the mere problem solving sequence...The second is where planning, acting, observing and reflecting occur as single loop in evaluation exercises which do not extend the process into a spiral of review and improvement (in these cases the sequence is usually act-observe-reflect-plan), and there the cycle stops, with new planned action not being implemented and monitored as the basis for further review and improvement). Here the arrested cycle becomes a mechanism for rationalisation of old or prospective practices rather than a process for continued learning and development. The third kind of arrested Action Research occurs where the single loop is used as a persuasive device to coopt participants into implementing a desired practice, using the device of observation, reflecting and planning in an apparently collaborative way, but in fact using these activities as a tool for leading participants to a group decision which is compelling and more likely to ensure faithful implementation of desired action.

With such stated limitations in accordance with the “single loop” processes, there is also the imperative to consider “double loop” learning where there are on-going or multiple cycles of acting, observing, reflecting and planning in practice (Argyris, 1990).
There are particular co-optive dangers using “technical” Action Research where the researcher, in a ‘consultancy’ role, may influence others through the perception of greater knowledge and technical expertise. Grundy and Kemmis (1996) claimed that the most relevant concern to be considered in relation to the spiral of Action Research is the problem of relating ‘retrospective’ understanding, reached through past action, observation and reflection, to ‘prospective’ action and plans for action. The ‘process’ of Action Research is thought to bridge the gap between past and future in systematic learning.

The point is also raised in dealing with this matter that Action Research requires a different epistemology from empirical-analytic and interpretative approaches as there are problems with relating retrospective explanation, or understanding, to prospective action. This includes the reliance on the transformation of consciousness and the judgement of the expert to inform future action.

The following table outlines the critical moments in the Action Research cycle and how the dimensions of construction and reconstruction have related to discourse and practice.

**Table 5: The ‘Moments’ of Action Research (Grundy and Kemmis (1996))**

<table>
<thead>
<tr>
<th>Discourse (among participants)</th>
<th>Reconstructive</th>
<th>Constructive</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 Reflect <em>Retrospective</em> on observation</td>
<td>1 Plan <em>Prospective</em> to action</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Practice (in the social context)</th>
<th>Constructive</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Observe <em>Prospective</em> for reflection</td>
<td>2 Act <em>Retrospective</em> guidance from planning</td>
</tr>
</tbody>
</table>

A summary of how Grundy and Kemmis (1996) describe the relationship of the alternative variables, particularly regarding the dynamic tension between retrospective and prospective attitudes of Action Research and the dialectic tension, is described in the next few paragraphs.

Table 5 above includes constructed action and, by definition, is seen to be *prospective* to action - that is, it is forward-focussed. Action is *retrospectively* guided by planning
in that it focuses back to planning for its rationale. However, action is not completely controlled by plans, and is essentially risky. In this regard it takes place in real time and encounters real social and material constraints. Action can also be identified as being retrospectively bound by prior practice, which also has a tentative grasp on present realities. In this regard action can be seen as fluid and dynamic. The ‘action’ moment of the Action Research process requires thoughtful and constructive work of the practitioners.

Observation is deemed to have the function of documenting the effects of action - it is prospective in that it will always be guided by the intent to provide a sound basis for critical self-reflection. In this regard, there can be a contribution made to the improvement of practice through a greater understanding and more informed strategic action. In contrast, reflection is seen to be retrospective as it focuses back to observation to locate and identify problems, issues and constraints made apparent through strategic action, and tries to make sense of them. It is thought that, through discourse among participants, reflection leads to the reconstruction of the meaning of the social situation and provides the basis for the revised plan.

Action Research is seen to be a dynamic process, in which these four aspects are to be understood not as static and separate steps, unrelated and complete in themselves, but as significant moments in the Action Research spiral process. Here the aim is to bring together discourse and practice (in the one dimension) and construction and reconstruction (in the other) so that improvements in practice and in understanding can be made systematically, responsively and reflectively.

Action and reflection form the strategic axis of the Action Research process. Planning for action on the basis of reflecting and observing action, form the organisational axis of the process. On the strategic axis of the process, reflection, a discursive, reconstructive activity, complements strategic action, a constructive practice. On the organisational axis, planning, as a constructive discourse, complements observation, a reconstructive practice. Along both axes, discourse (theory) and practice are dynamically interrelated. In this regard the link between theory and practice can be resolved through the interconnections described in the Action Research spiral process which will be further utilised in the later chapters that relate to analysis.
Improvements in practice and understanding can occur in this weaving of variables within the Action Research cycle. The alternation between construction and reconstruction and that between discourse and practice reveal that Action Research is seen to be *intrinsically critical*.

Grundy and Kemmis (1996, p. 325) further espouse:

> Improvements in understanding engender critique (through the development of a new perspective or value-framework against which a past point of view of the situation may now be reconsidered), and improvements in practice push strategic action up against the constraints on practice imposed by the present situation, thus generating pressure for organisational change in the situation. The ‘critical’ nature of action research is not negativistic or carping; it is essentially constructive and rational, being guided strategically by the rational goal of improvement and the democratic goal of involvement.

Given that the nature of Action Research is intrinsically critical and systematically change-oriented, it is inevitably political. The politics of Action Research may be considered in relation to its character as participatory and collaborative. The democratic aspect of this methodology has been recognised as:

> This notion is based upon the philosophical assumption that whenever human beings ‘act’ rather than ‘behave according to stimulus-response sequences’ – this necessarily involves the reciprocal recognition of human beings as persons appreciated and accepted in the way they strive for consensus and mutual understanding. (Habermas, 1970, p. 40)

But Action Research of any developed kind requires that the practitioners themselves have control over the research process. This raises some challenging epistemological and ontological issues. From an epistemological position, where the theory of knowledge poses questions such as “What is knowledge?, “How is it acquired?” and “What do People Know?” (Klein, 2005), the practitioner as researcher is control of the sources, as well as limits of knowledge. The propositions arrived at between perceived truths and beliefs involve personal and group reflection processes. In Action Research knowledge is relative to personal and group positions that are largely in the control of the researcher.

From an ontological position, where questions such as “What actually exists?” are raised, social science has traditionally adopted one of four ontological approaches
(Wikipedia, 2008): Realism (the idea that facts are out there just waiting to be discovered); empiricism (the idea that we can observe the world and evaluate those observations in relation to facts); positivism (which focuses on the observations themselves, attentive more to claims about facts than to facts themselves); and, post-modernism (which holds that facts are fluid and elusive, so that we should focus only on our observational claims). The Action Researcher, as a participant observer, could arguably be cast more generally in post-modernism. However, elements of empiricism (for example, with observation of events), as well as positivism and realism (for example, with testing theories), can also be noted in Action Research. By adopting critical reflexive processes, the Action Researcher may in fact operate outside one, or all these positions.

Collaborative participation in theoretical, practical and political discourse is therefore a distinctive feature of Action Research with associated responsibilities needing to be held by the researcher. There are occasions when such discourse is essentially solitary, particularly for the researcher. Beasley (cited in McTaggart, 1994) has described the ‘reflexive spectator’ role in regard to this self-reflective orientation. However, there may be particular problems associated with this as was recognised by Habermas:

The self-reflection of a lone subject requires a quite paradoxical achievement; one part of the self must be split off from the other part in such a manner that the subject can be in opposition to render aid to itself…(Furthermore) in the act of self-reflection the subject can deceive itself. (Habermas, 1974, p.29)

Notwithstanding, it is often the case that Action Research can become manifest in group processes of deliberation. Here the research process can support and create a forum for group self-regulation which transforms communities of self-interests into learning communities (Kemmis, 1980). Here participatory research, as applied to Action Research, provides particular opportunities as a research methodology.

Foote, Whyte, Greenwood and Lazes (1991) argue that Participatory Action Research (PAR) has evolved out of three particular streams of intellectual development and action:
1. social research methodology;
2. participation in decision-making methodology by low ranking people in organisations and communities; and
3. socio-technical systems thinking regarding organisational behaviour.

PAR as applied research can be contrasted with the more conventional model of pure research where members of organisations and communities take on the role of passive subjects, with some of them participating only to the extent of authorising the project, being its subjects, and receiving the results (Foote, Whyte, Greenwood and Lazes, 1991). In contrast, other authors (such as Taba & Noel, 1998) have identified Action Research as something which needs to be stimulated from outside the practical setting which can be even controlled or shaped by outsiders.

It is at least an advantage as a researcher to be able to be aware of these opposing views and to justify a research position on a particular research need and not an ‘a priori’ position as may the case in a research environment where there is significant change. The change environment of the research project needs also to consider Action Research as a change management strategy.

### 4.3.3 Change Management

Foster (1972) argued that Lewin in his Action Research agenda employed a number of change management strategies. The most important of which were cited as:

1. an early identification of the leading parts of the target system (i.e. the gate keepers);
2. paying attention to the social context in which the ‘gate keeper’ behaviour took place;
3. enhancing individual involvement by problem-posing in a group situation;
4. avoiding ‘ego-risk’ by posing the problem in terms of the problem for ‘the other’;
5. providing experts to feed-in information as required (i.e. a process of ‘discovery learning’);
6. requiring a public statement by every individual as to future behavioural intentions; and,
7. indicating to subjects that a check on subsequent behaviour would be made.

(Foster, 1972. pp.529-556)
It has also been claimed that Lewin’s challenge of studying things through changing them and seeing the effects also related to the adage of ‘no research without action and no action without research’ (Mezirow, 1996). Such a ‘common sense’ practical approach to change can also be found with Lewin’s famous three-step process of unfreezing, moving and freezing at the new level. However, freezing at the new level needs also to be a deliberate planned objective as it is intended in Action Research. Just by attaining a new level is definitely no guarantee of its permanency, even in the short term (Foster, 1972, p.535).

Change strategies were also seen by Lewin to influence social systems, such as by reducing or changing the direction of forces within the social system, as well as applying forces from without and harnessing them together with those in the system, to ensure that there is focus on the desired change goals. There are significant implications here for Action Research in at least two main areas: first, that the change agent needs to have reserves available so as to be able to apply a sufficient critical mass for change to become effective, and second, that the change agent needs to ‘keep his nerve’ during the initial period when little may appear to be happening (Sanford, 1996, p. 102).

Sanford (1996, p. 104) also elaborated on the work of Rapoport (1970), whose definition of Action Research was:

A type of applied social research differing from other varieties in the immediacy of the researcher’s involvement in the action process. (It) aims to contribute both to the practical concerns of people in an immediate problematic situation and to the goals of social science by joint collaboration within a mutually acceptable ethical framework.

To the first sentence Sanford (1996, p. 104) has added “…and the intention of the parties, although with different roles, to be involved in a change process of the system itself”. With these inclusions related to change and systems, Sanford proposes that this distinguishes Action Research from all other kinds of applied research.

The question can be raised as to whether Action Research interventions can result in any significant change. According to Grundy and Kemmis (1996, p. 31):
where there is genuine intention to improve practice, real and significant change can and does occur. One of the underlying reasons for the significance of change, apart from the attention and willingness to change, is the shift in power that occurs through the operation of the action research process. Successful collaborative action researchers find, therefore, that attempts to revert to pre-project practices meet considerable resistance from other participants.

In terms of the current research proposal, there is a significant degree of confidence that following Action Research methodologies provides opportunities for effective change, given that all the above-mentioned parameters can be promoted and controlled.

4.4 Specific Requirements of the Research Project

Relevant guidelines for the application of Action Research in the research setting can be sourced from Kemmis and McTaggart's (1998) *The action research planner*. A summary of key points will now be made from this source that has been used as a key reference tool to the implementation of the research study.

First a process needed to be established that followed the four fundamental aspects of Action Research. The dynamic complementarity which links these four keys aspects into a cycle, and ultimately into a spiral of such cycles, has been noted and followed according to the strategies outlined below. The research and reference groups were given the task:

1. to develop a plan of critically informed action to improve what is already happening;
2. to act to implement the plan;
3. to observe the effects of the critically informed action in the context in which it occurs; and
4. to reflect on these effects as a basis for further planning, subsequent critically informed action and so on, through a succession of cycles.

(Kemmis & McTaggart, 1988, p. 10)

A further task was to note the socially constructed nature of the research project where language activities and social relationships were able to be understood and
analysed as social processes, formed through histories of interaction between people. In order to facilitate change (or reconstruction), an historical or chronological basis was provided to the recording of data, which involved collective decision-making processes.

In recognition that the culture of the groups may also need to change, self or group transformation processes were also recognised as they may apply through changing the substance, forms and patterns of language, activities and social relationships which characterise groups and interactions among their members. This again was recognised as a collective process involving collaboration to support conscious individual and group decision (Kemmis & McTaggart, 1988, p. 17).

A general form of the research question would be posed at the beginning of the Action Research cycle using the general format of: ‘We intend to do X with a view of improving Y’. Such a question implies some shared understanding of what is happening already. Some of the basic assumptions acknowledged included: “…that improvement can be monitored in some way; and most of all it envisages an evolution of understanding in concert with the improvement of practice as collective action is implemented and refined in practice” (Kemmis & McTaggart, 1988, p. 19).

Deciding on such a thematic concern will also require consideration about what alternatives may be available for consideration for improvement. This process of “defining the field of action” involved consideration of a range of options or goals to be considered.

It was also recognised that the initial general plan, and the successive action steps, would most likely be modified in the light of experience. Action Research would be valued as a systematic learning process in which people were able to act deliberately, whilst remaining open to surprises and responses to opportunities. Here was a process of using ‘critical intelligence’ to inform action, and developing it so that our action became praxis (critically-informed committed action) through which the participants would be able to further enhance their own personal and organisational values (Kemmis & McTaggart, 1988, p. 23).
The research process supported participants in theorising about the practices with which they were involved - supporting a process of being inquisitive about circumstances, action and consequences and coming to understand the relationship between circumstance, actions and consequences in their own lives. This could involve initial rationales for practices that would be subject to critical scrutiny through the Action Research process (Kemmis & McTaggart, 1988, p. 24).

The researcher kept a personal project journal in which a record of progress about reflections about two parallel sets of learning included: learnings about how practices were developing and learnings about the process (the practice) of studying them - how the Action Research project was progressing. This also included notes and reflections on: changes and uses of language/discourse; changing activities and emerging practices; and changing social relationships and any emerging changes to the formal organisational structure (Kemmis & McTaggart, 1988, p. 25 and p. 50).

Records of progress on improvements comprised of:

1. records of changing activities and practices;
2. records of the changes in the language and discourse which describe, explain and justify practices;
3. records of the changes in the social relationships and forms of organisation which characterise and constrain our practices; and
4. records of the development in the mastery of Action Research methodology. (Kemmis & McTaggart, 1988, p. 25)

Improvement was recognised as taking place through processes of dialectic interaction between the individual and the group. The monitoring of improvements also required collaborative monitoring of the process of contestation and institutionalisation as they emerge concretely in each of the three areas of language/discourse, activities/practices, and social relationships/forms of organisation ‘registers’ (Kemmis & McTaggart, 1988, p. 46).

The researcher stated his position with reference to an overview of the thematic concern including any reconnaissance, and initial diagnosis (Kemmis & McTaggart, 1988, p. 64).
Key guidelines have also been summarised from (Kemmis & McTaggart, 1988, pp. 34-35) as follows:

1. planning for change in the use of language and discourses;
   
   *Identifying what to act on in terms of the history and contemporary usage of language and discourse relevant to your thematic concern*

2. planning for change in activities and practices;
   
   *Identifying what to act on in terms of the history and contemporary patterns of activities and practices relevant to your thematic concerns*

3. planning for change in social relationships and organisation;
   
   *Identifying what to act on in terms of the history and contemporary patterns of social relationships and organisation relevant to your thematic concern*

4. enacting and observing changes in languages and discourse;
   
   *Updating the history and observing contemporary usage of language and discourses relevant to your thematic concern*

5. enacting and observing changes in activities and practices;
   
   *Updating the history and observing contemporary patterns of activities and practices relevant to your thematic concern*

6. enacting and observing changes in social relationships and forms of organisation.
   
   *Updating the history and observing contemporary patterns of social relationships and organisation relevant to your thematic concern.*

### 4.5 Additional Considerations for the Research Project

#### 4.5.1 Role of the Facilitator

Grundy and Kemmis (1996, p. 328) noted that the facilitator’s principal role was with the ‘moment’ of reconstructive discourse in the Action Research cycle - that is, regarding the process of reflection. This role can be most relevant with the
organisational ‘moments’ of the cycle (planning and observing but not, as facilitator, in the ‘moment’ of action).

The requirements of this role (Grundy & Kemmis, 1996, p. 328) were seen to involve a number of responsibilities including:

a. providing access to appropriate theory;
   • Action Research does not consist in the application of theory to practice, but it does involve reciprocal relationship between theory and practice.

b. ensuring symmetrical communication;
   • development of a common language;
   • development of group processes;
   • distribution of power.

c. practically assisting in the organisation for action and reflection;

d. assisting in the process of reflection;

e. dissemination.

The researcher undertook the following to meet these responsibilities in his facilitation role.

4.5.2 Data

The following data guidelines summarised from Grundy and Kemmis (1996, pp. 330-331) were implemented:

What constituted data for Action Research?

These included personal diaries (both concerning the strategic action under consideration and concerning the Action Research process), the use of judgements of other participants as data, and the use of unstructured and informal data collection techniques (like unstructured interviews, conversations, group discussions and participant’s and organisational). The concern is noted regarding the dangers of data being too ‘subjective’ in interpretation and thus feeding personal preferences.

The researcher undertook to have data recorded from multiple sources if possible. This included minutes of meetings being recorded from participants other than the researcher.

How was data analysed?
The analysis of data was represented by the reflective moments of the Action Research cycle. The purpose of reflection was seen to provide the researcher with authentic insights which will further the process of enlightenment for relevant stakeholders. To assist this process, triangulation, or derivation of data from multiple sources, assisted in validity and ensuring that the sharing of authentic insights was made possible.

The researcher in the analysis of the data recorded multiple positions or stories to ensure that multiple perspectives were able to be accounted for in interpreting the data.

4.6 General Methodological Factors

Additional methodological guidelines that applied in this research project also included:

1. Adherence to minimal requirements for Action Research according to Grundy and Kemmis (1996, p. 327):

   a project takes as its subject-matter a social practice, regarding it as a strategic action susceptible of improvement;
   the project proceeds through a spiral of cycles of planning, acting, observing and reflecting, with each of these activities being systematically and self-critically implemented and interrelated.
   the project involves those responsible for the practice in each of the moments of the activity, widening participation in the project gradually to include others affected by the practice and maintaining collaborative control of the process.

2. Recognition that the Action Research project had its own modus operandi.

3. The Action Research methodological approach used was practical/organisational mode (mutual-collaboration Action Research) (Grundy & Kemmis, 1996). The basis for this was the researcher’s background as a consultant and having expertise in the field was requested by the organisation to come and ‘assist’ the organisation and not just ‘sit back’ and observe.
4. The Reference Groups provided a means for the organisation to plan, act, observe and reflect at management committee (governance) and staff (operational) levels of the organisation.

5. A diversity of discourses were recognised which included: historical, geographical, discursive, theoretical (different discourses), social, and political.

6. Observance of pauses in the change processes being relevant to the research. This was in accordance with Lewin’s background theory of social change in that “…it is clear that by a state of no social change we do not refer to a stationary but to a quasi-stationary equilibrium; that is to say a state comparable to that of a river which flows with a given velocity in a given direction during a certain time interval. A social change is comparable to a change in the velocity or direction of that river” (Lewin, 1947).

7. Material was presented in the research paper highlighting the historical context leading up to the Action spirals commencing in January 2001.

8. The Management Committee Reference Group meetings were scoped from February to November 2001, with Staff Reference Group meetings January to August 2001. A number of projects involved key staff, committee members and other partner organisations and individuals from July 2000 to December 2001.

9. Group work was implemented, for example a management committee or board group and a staff group. The need to work in groups was recognised as providing a wider organisational context with the potential to reduce the gap between subject and object.

10. Ensuring that there was enough time given to reflect and plan for another set of changes. The researcher monitored group processes to allow for this.
11. Processes and protocols were developed in consultation with groups. This included minute taking, goals and terms of reference for the groups.

12. Sharing control, ownership and decision-making including being accountable to the research group. This involved the researcher acknowledging that the changes brought about were not in his own control.

13. Recognition that Action Research was about changing something in order to investigate or understand it. To achieve this aim the researcher supported the following processes: investigating by changing; continuously reflecting; working collaboratively; sharing control; working to achieve changed (practice) outcomes (local, specific); and, dialogue (valuing your perspective and others).

14. Recognition of the power dimensions. These were recorded in the data and discussed in the final chapters.

15. The research process also involved:
   
   • drawing together reference group;
   • defining the problem and processes (e.g. decision-making, reporting researcher’s PhD requirements);
   • establishing and agreeing upon processes and protocols (e.g. meetings);
   • implementing meeting and individual research processes;
   • ongoing review of findings (including regular reporting, input etc.) and the development of operational options;
   • written documentation and final findings endorsed by group; and,
   • researcher writing up project in PhD context.

16. Ongoing processes included:
   
   • cycle of planning, acting, observing and reflecting; and,
   • regular reporting and accountabilities to Reference Groups.
Due to the large amount of data collected through the research process, the issue arose as to how to systematically collate the data so that it could be condensed to a form that could be more readily analysed. Story-telling was identified as a tool suitable for this function. The results involved the researcher transcribing events through a story-telling methodology from the three different perspectives of the staff, board and the researcher. Whilst the researcher could be seen to be ‘dressing’ the stories told, methodological approaches were developed to minimise such biases. It was recognised that the reader would also be active in determining their own interpretation and representation of what they experienced as having been told.

4.7 Case Study Method: Presenting the Results as Story-telling

Story-telling can be recognised as a universal means of communicating experience and has been shown throughout history to provide an understanding of ourselves and others from the perspective of what lies ahead in the future as well as the past and present. It is fundamental to the human experience (Handy, 1996). Story-telling as cultural representation and as sociological text has emerged from many traditions, but nowhere more strongly than oral history and folklore. It is also increasingly being recognised as a discipline called narrative inquiry (Clandinin & Connelly, 1999; Ellis & Bochner, 1996).

The work of narrative has particular relevance and power in communicating the findings of a case study:

To make its truths publicly accessible, the case study worker must attempt to explicate the joint development of the case and the study. His own self-reflection provides the reader with the means of re-constructing the study and, critically, demonstrates its rationality. In reporting the study, the case study worker demonstrates how, in his own case as a cognitive subject, the imagination of the case worker and the invention of the study have exerted controlling influences on one another. (Kemmis, 1980, p. 104)

As previously established, tacit knowledge refers to this kind of knowledge which is manifest in action. However, it goes still further in as much as it refers to those
aspects of our experience which we know as experience but cannot label with words. Case study creates the possibility that some of this tacit knowledge may be communicated through the use of rich description such as with the narrative of storytelling. By creating the conditions for imaging, we may communicate something of what cannot be said. In this sense, the tacit may be communicated. Rich descriptions allow context to be shared; the reader creates an action-context through imagination (Kemmis, 1980, p. 126).

One of the foundational problems with the presentation of research findings is the issue of not just seeing the world ‘as it is’, it is the requirements associated with the need and problem of seeing and saying. This relates to how the research story is told and the observations and subsequent interpretations that are made. In order to understand the nature of story-telling, it is necessary to also define what it is and how it relates to other elements such as narrative that are often used as similar terminology – this requires clear definition.

4.7.1 Story-telling Defined

Stories can be used as a tool to gain an understanding of how communication and learning work in social settings, particularly in organisations. Stories have been defined in a number of ways and have followed a range of approaches. For example, Gallie (1968, p. 22) identified that a story describes a sequence of actions and experiences done or undergone by a certain number of people, whether real or imaginary. These people were presented either in situations that change or as reacting to change. In turn, these changes reveal hidden aspects of the situation and the people involved, and engender a new predicament which calls for thought, action, or both. This response to new situations leads the story towards its conclusion. In this regard stories have a fundamental element relating to change and can be considered as a mapping tool in identifying processes such as change for the case study organisation outlined in the previous chapter.

From an historical perspective, Kohler Riessman (1993, p. 21) has sourced the development of story-telling back to Aristotle where, in his Poetics, story-telling was
deemed to have a beginning, middle, and end. Ever since, scholars have generally agreed that sequence is a necessary part of story-telling. The order of events moves in a linear way through time. From such a position the order cannot be seen to be changed without changing the inferred sequence of events in the original semantic interpretation. The story progresses from this position, always responding to the question ‘and then what happened?’ Alternatively, thematic sequencing is another approach, where an episodic narrative can be articulated by theme rather than by time (Michaels, 1981; Riessman, 1987).

In this sequential tradition, Denning (2004, p. 90) has identified that where knowledge is a primary goal of a story, four key elements can be identified with a knowledge-sharing story: problem, setting, solution, and explanation. In this regard, a knowledge-sharing story needs to describe a setting in enough detail that a ‘solution’ can be linked to a ‘problem’ by the best available ‘explanation’. Further to this Denning (2004, p.94) stressed that a ‘robust’ knowledge-sharing story needs to be developed with the aid of multiple perspectives. In the case study organisation, story-telling methodologies featuring problem, setting, solution and explanation were utilised to summarise the stories of a common situation from multiple perspectives.

Some would dispute the proposition just raised. Gargiulo (2005), for example, takes the position that stories do not need to have intentionality, nor a beginning, middle and end. A story can indeed only constitute a short phrase or a word.

Gargiulo (2005, p.163) has identified a range of specific functions of stories and their associated effects as identified in the Table below.

Table 6: The Nine Functions of Stories and their Unique Effects (Gargiulo, 2005, p. 163)

<table>
<thead>
<tr>
<th>Functions of Stories</th>
<th>Unique Effects of Stories</th>
</tr>
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<tbody>
<tr>
<td>• Empower a speaker</td>
<td>• To entertain</td>
</tr>
<tr>
<td>• Create an environment</td>
<td>• To create trust and openness between yourself and others</td>
</tr>
<tr>
<td>• Bind and bond individuals</td>
<td>• To elicit stories from others</td>
</tr>
<tr>
<td>• Require active listening</td>
<td>• To listen actively in order to understand context and</td>
</tr>
<tr>
<td></td>
<td>perspective; find the critical point</td>
</tr>
<tr>
<td>• Negotiate differences</td>
<td>in a system; and uncover resistance and hidden agendas.</td>
</tr>
<tr>
<td>• To help us shift perspectives in order to: see each other; experience empathy; and enter new frames of reference.</td>
<td></td>
</tr>
<tr>
<td>• To hold diverse points of view</td>
<td></td>
</tr>
<tr>
<td>• To create awareness of operating biases and values</td>
<td></td>
</tr>
</tbody>
</table>

| • Encode information | • To create a working metaphor to illuminate an opinion, rationale, vision, or decision |
| • Act as tools for thinking | • To establish connections between different ideas and concepts to support an opinion or decision |
| • Act as weapons | • To encourage thinking outside the box, generating creative solutions and breakthroughs. |
| • Act as a medicine for healing |

On the basis that stories can encode information and act as a tool for thinking, Gargiulo (2005) has identified additional associated effects such as: to create a working metaphor to illuminate an opinion, rationale, vision or decision; to establish connections between different ideas and concepts to support an opinion or decision; and to encourage thinking outside the box, generating creative solutions and breakthroughs. Independent of the sequence of events, stories can be used to simplify and encode information so that, through processes of thinking, new understandings, connections and ideas can be created.

Stories are also associated with narratives. David Boje (2002, p. 1) has highlighted that traditionally story has been viewed as less than narrative and that a distinctive feature of narrative is that it requires a plot as well as coherence. Here Boje has supported Ricoeur’s definition of a story:

A story describes a sequence of actions and experiences done or undergone by a certain number of people, whether real or imaginary. These people are presented either in situations that change or as reacting to change. In turn, these changes reveal hidden aspects of the situation and the people involved, and engender a new predicament which calls for thought, action, or both. This response to new situation leads the story towards its conclusion. (Ricoeur, 1984, p.150, cited in Boje, 2002, p.3)
To narrative theory, story can be identified as folksy, without emplotment, and a simple telling of chronology (as opposed to requiring a plot and coherence in narrative). But people live in what Boje (2002) refers to as the antenarrative where individuals are always in the middle of living and tracing their stories lived, not necessarily told.

Boje (2002) takes a particular position regarding stories and narrative where a narrative can be identified as something that is narrated. Story can be seen to be an account of incidents or events, but narrative comes after and adds “plot” and “coherence” to the storyline. Story in this regard, can be therefore ‘ante’ to narrative and narrative is post-story. Used as an adverb, “ante” combined with “narrative” means earlier than narrative. The fragmented, non-linear, incoherent, collective, unplotted and improper story-telling is what Boje (2002) termed “antenarrative” where antenarrative is given a double meaning as being before as well as a bet. Antenarrative provides the opportunity to trace storied lives that are not necessarily clean, easy to understand and sequential.

What then is the difference between story and narrative? Denning (1988) has defined story in terms of the telling of a happening or connected series of happenings, whether true or fictitious, an account or narration. In contrast narrative in a broad sense is anything told or recounted. Story and narrative are deemed to be synonymous. A central point of difference however with narrative is that the material is often more fragmented than in a story with the meaning emerging from the narrative. The sequence of a story (for example plot) provides more of a structure for the meaning to be articulated.

The case study material has incidents and events that were not necessarily clean, easy to understand and sequential. In this regard elements of both traditions, story-telling as well as antenarrative/narrative, have been considered in the story-telling methodology. However the determination of methodological requirements is also contingent upon communicative channels, particularly in personal and non-specific areas.
Gargiulo (2005, p. 28) has determined that information found in the personal channels of communication as opposed to formal and social modes, when combined with non-specific (in contrast to internal, external and partner) targets, almost always overrides any other. What is stressed is that similar to non specific targets, communications occurring in a personal channel are difficult to tap into and even more difficult to manage, and yet they are most likely the most critical. Taken together, non specific targets and personal channels are seen to be the two most important forms of communication organisations need to address. Organisations can use stories as a methodology to reach these untapped areas outlined in the Table below, particularly the highlighted section.

**Table 7: Untapped Areas of the Communications Matrix (adapted from Gargiulo, 2005)**

<table>
<thead>
<tr>
<th>Untapped Areas of the Communications Matrix</th>
<th>Target</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Internal</td>
<td>External</td>
<td>Partner</td>
<td>Non-specific</td>
</tr>
<tr>
<td>Channel</td>
<td>Formal</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Social</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Personal</td>
<td>7</td>
<td>8</td>
<td>9</td>
</tr>
</tbody>
</table>

According to TwoTrees (cited in Boje, 2002), stories have three properties time, place and mind:

1. **A time.** “You tell a story at a certain time for the year, a season, or time of the day”.
2. **A place.** “You recount stories at this place, and places have their own story.”
3. **A mind.** “Every creation, even a story has mind of its own. We create a story and it has a life. The stories have origins. You must tell a story with permission.” (TwoTrees, 1997, as cited in Boje, 2002, p.6)

For TwoTrees, stories need to be re-contextualised back to their time, place and mind (Boje, 2002, p.6). In developing a story a certain chronology needs to incorporate aspects of place, time and mind which was included in the story-telling methodology used in this research.
Prusak (2005, p. 42) has identified four main attributes of a story: salience (how much punch), endurance, sense-making, and comfort level. All of these features need to be considered in the use of story-telling methods.

In the telling of stories, in contrast to narration, it is important to understand this differentiation as has been noted by Culler (1981, p. 169):

> if these theorists can agree on anything it is this: that the theory of narrative requires a distinction between what I call ‘story’ – a sequence of actions or events, conceived as independent of their manifestation in discourse – and what I shall call ‘discourse’, the discursive presentation and narration of events.

Czarniawska (1998) identified that a story, in its most basic form, requires at least three elements: an original state of affairs, an action or an event, and the consequent state of affairs. However, the reader also needs a plot “…to bring this sequence into a meaningful whole” (Czarniawska, 1998, p. 2). A methodological approach is to introduce a chronology, which in the mind of the reader easily turns into causality (as result of, in spite of). Sense-making in this regard can be seen to be an attempt to integrate a new event into a plot, by which it becomes understandable in relation to the context of what has happened. Story-telling in this regard can exhibit an explanation instead of demonstrating it (Czarniawska, 1998).

The connection between human action and story-telling has been developed by Ricoeur (1981), who has suggested that meaningful action can be considered as a text - it becomes objectified by inscription, which frees it from its agents and it has relevance beyond its immediate context and it can be read like an ‘open text’. The theory of interpretation in this regard can be extended to the field of social sciences.

An important point has also been made by Boje (2002, p. 7) that storytellers have inherent rights to narrate their own stories “…but when someone else tells a story they did not inhabit, it is a different type of narrating”. Here an element of authenticity is required in order to meet the requirements of validity that will be discussed in the latter section of this chapter.
What is disclosed in a story also requires discussion. For example, Kohler Riessman (1993, p. 65) has identified that stories are laced with social discourses and power relations, which do not remain constant over time and these issues need to be “opened-up” for the readers to experience. The disclosure of such elements may provide enough information for the reader to piece together particular meanings so that “what has happened” can be portrayed from a more political standpoint.

In reviewing the effectiveness of stories in organisations, Denning (in Brown, Denning, Groh & Prusak, 2005, p. 119) identified stories that were effective had a similar pattern in that they: had to be understandable; needed to be told from the perspective of single protagonist - a single individual who was in a situation that was typical of that organisation; needed to have a certain strangeness or incongruity; needed to be somewhat odd but also plausible; needed to embody the change idea as fully as possible; were as recent as possible; and, were based on a true story - as the truth of a story is a key part of obtaining legitimacy.

Arguably, the central element to the interpretations of the reader is how effectively with a story, listeners were able to get inside the idea (Denning, in Brown, Denning, Groh & Prusak, 2005, p. 111). Here the intention is that they personally “live the idea”. In other words that they experience the story as if they had lived it themselves. Here a process of collective dreaming can be identified, so that an existing reality may succumb to a new story and the dream becomes the new reality, both collectively and individually, for readers. Stories have been demonstrated to have the potential to overcome the knowing - doing gap, as people make them their own (Denning in Brown, Denning, Groh & Prusak, 2005, p.116). The task with this research was to integrate these literature findings in story methodology outlined in the later sections of this chapter. This also required reference to textual analysis. As how texts are interpreted or analysed is central to the communicative message of a story and data representation.
4.7.2 Textual Analysis

Kohler Riessman (1993, p. 5) identified that there are a variety of approaches to textual analysis in the social sciences, and they have included semiotics, hermeneutics, conversational and discourse analysis, and textual approaches to documents. In the analysis of story-telling and narrative, some insights have been identified as being drawn from these traditions, but they were deemed to have had more of an interpretive thrust. Here there was seen to be ‘no one best method’ in the realm of systematically interpreting interpretations. Czarniawska (1998, p. vi) has also raised the issue that there is no method, strictly speaking in the social sciences, in that other works are seen to be sources of inspiration, an array of various techniques, and a systematic reflection on the work that is being done. Furthermore, stories, narratives and texts in general are deemed to present events over time in accordance with (impersonal) causes or (human) intentions. Such processes are identified as the “main carriers” of knowledge in modern societies towards the end of the 20th Century (Czarniawska, 1998, p. vii).

With regard to narrative research processes, Kohler Riessman (1993, p. 10) has identified five levels of representation following primary experience central to the story-telling and narrative research process which have been summarised as follows.

Primary Experience

1. attending
2. telling
3. transcribing
4. analyzing
5. reading

In mapping this process with the research project, the researcher was in attendance in a number of meetings and situations where records of events following the telling of “situational stories”, were documented from the conversations involving individuals and groups. In the telling, there was an inevitable gap between the experience as it was lived and any communication about it. There was also an inevitable gap in
transcribing experience by a researcher, which was, in part, overcome by the participants also transcribing events themselves. Participants also recorded minutes of meetings on a rotational basis in this research project. Further processes related to analysing and reading will be discussed later in this chapter.

Different transcription conventions lead to and support different interpretations and ideological positions, and they ultimately, according to Mishler (1991), create different worlds. Meaning can be viewed from multiple perspectives. According to Kohler Riessman (1993) every text is “plurivocal”, and has multiple voices and interpretations, in that in that it is open to several readings and to several constructions. Meaning in such a setting can be seen to be ambiguous in that it follows a process of interaction between people: self, teller, listener, and recorder, analyst and reader. Whilst there may be an intention to represent a ‘whole truth’ in any text, in effect “…all we have is talk and texts that represent reality partially, selectively, and imperfectly” (Kohler Riessman, 1993, p. 14). Here the subjectivity of all story-telling methodology can be emphasised.

In textual development in story-telling, reference can be made to Labov’s (1972) formal properties. This structural approach identifies six common elements: an abstract (summary of the substance of the narrative); orientation (time, place, situation, participants); complicating action (sequence of events); evaluation (significance and meaning of the action, attitude of the narrator); resolution (what finally happened); and, coda (returns the perspective to the present). With these structures, a teller constructs a story from primary experience and interprets the significance of events in clauses and embedded evaluation.

Another classic method of analysing language, dramatism, provides a structural approach that has potential application to a variety of types of narrative, including stories: “…any complete statement about motives will offer some kind of answer to these five questions: What was done (act), when and where it was done (scene), who did it (agency), and why (purpose)” (Burke, 1969, p. xv).

However, the meaning of what someone has said can be analysed in terms of its content (ideational); how something is said (textual); and in the context of shifting
roles of speakers and listener (interpersonal). Narrative analysis provides methods for examining, and relating, meaning at all three levels (Kohler Riessman, 1993, p. 21). Such interpretations in narrative and story-telling analysis can be largely left up to the reader to determine for themselves.

Denning (2005, p. 121) suggested that the story be told in a minimalist fashion. Here just enough detail is given to follow the story, but not enough to get them thinking too much about the details of the explicit story. The objective here is to generate a new narrative based on the listener’s context and drawing on the listener’s intelligence. There is a need for the story-teller to let go of control, but to have the self-control to avoid imposing personal views on the listener.

Regarding control, Denning (2005, p. 163) stressed:

And ultimately, by letting go of control, by being open to the other person’s story as well as sharing your own, you are giving the power away. In the end, it is not about being in control. It’s about being the most powerful. It’s about making everyone else more powerful. And there’s no more effective way to do that in a way that grows and lasts, than with storytelling.

Czarniawska (1998, p.1) has highlighted that unlike a method, a device can be idiosyncratic; and encourages researchers to develop their own devices. The interpretation of story or narrative is seen to be situationally negotiated and thus requires methodologies that are ‘situationally specific’. Czarniawska (1998, p. 12) further emphasised that social practices renew themselves by tension, contradictions and paradox in general. In this regard, story-telling and narrative are seen to play a role in organisation theory through an initial problematising process in order that reinvigoration can occur in organisations.

The relationship of narrative and analysis can be seen as a marriage. Denning (2005, p. 124) purports:

What I am saying is: do all the analysis, but use the narrative to get people inside the idea, so that they live the idea, so that they feel the idea, so that they understand how the idea might work. And once you are inside the idea, and once they have felt it and understood it, then you can move on and share with
them the analysis. So you marry the narrative with the analysis. A story can help listeners analyse both costs and benefits in an even handed manner.

It can be argued that stories require interpretation as they may not ‘speak for themselves’. Stivers (1993) has identified that our analytical interpretations can be seen as partial, alternative truths that aim for “…believability, not certitude, for enlargement of understanding rather than control” (Stivers, 1993, p. 424). The recognition of interpretative elements is an important aspect of story-telling methodology. Henraldi (cited in Stivers, 1993) has classified interpretation into three stages: explication; explanation; and, exploration. In this regard explication can be identified as reproductive translation in which the interpreter chooses to stand under the text, in order to understand it. Explanation is the use of inferential detection processes to analyse it, where the reader stands over the text. Social scientists, according to Czarniawska (1998), also have a professional duty to proceed to the third stage, exploration, where readers can stand in for the author, constructing new text with the original one as a starting point. This could involve constructing a text from scratch (in opposition to one already existing), a reconstruction, or a deconstruction of the one that exists. In order that such processes can be enhanced, Czarniawska (1998) suggested following a process of systematic reflection. This approach has many similarities to Action Research methodology as outlined earlier in this chapter, particularly regarding its reflective elements.

4.7.3 Reflective Processes

Reflective processes are critical to story-telling. Gargiulo (2005, p. 165) has paraphrased Socrates with the revised phrase “…an unexamined story is not worth having”. Whilst we gather new insights from our own stories, a highly developed capacity for reflection makes us more mindful of others’ positions and stories. One such approach to institute reflection involves a process Gargiulo (2005, p. 200) refers to as “ready-fire-aim”. Here the “readying” occurs with appropriate planning; the “firing” is by trying out new ideas on a small basis; and then the “aiming” as to what can be learnt from the experience. These attributes have many similarities to the Action Research approach outlined in earlier chapters.
Stories can enable us to mentally and emotionally process information that can facilitate further insight and learning, including self-reflection. In this regard stories can be seen as a tool for thinking where symbolic constructs can support further abstraction processes. This has been summarised by Gargiulo (2005, p. 149) as follows:

Hearing a story triggers our own experience and set of associations. This explains why when we revisit a story it can have different meanings. It is not that we are constantly crafting relativistic interpretations to justify our current model of the world, but rather that stories activate our imaginations. They prompt us to look for new insights.

4.7.4 Story-telling in Organisations

Prusak (2005, p. 3) made reference to the work of Deirdre McCloskey who wrote an article indicating that 28% of the gross national product (GNP) in the United States is accounted for by persuasion, which, by speculation, around two-thirds of this is claimed to be ‘clever’ story-telling.

It is important to note that stories need a context. Stories are told at a particular time and a particular place and, for example, can relate to the mission statement of an organisation, which is an indicative story about the future. In organisations Czarniawska (1998) stressed that tables, lists and recipes are often the modern props of organisational knowledge and argued that the greater part of organisational learning happens through the circulation of stories.

Narrative forms, including story-telling, with reference to organisation studies are easiest to find in case studies: research cases, educational cases, and fictive cases that use chronology as the main organising device Czarniawska (1998, p.13). In this regard, this research project involving case study research used story methodology to synthesise a range of data into a chronology to be reflected upon in the light also of Action Research methodology.

Czarniawska (1998, p.13) summarised stories and narrative entering organisation studies in at least four forms:
organisational research that is written in story-like fashion (tales from the field); organisational research that collects organisational stories (tales of the field); organisational research that conceptualises organisational life as story making and organisation theory as story reading (interpretative approaches); and a disciplinary reflection that takes the form of literary critique.

For the purposes of this research project, a combination of ‘tales from the field’ as well as ‘interpretative approaches’ has been used, as the requirements of the project were not clearly segmented into only one of Czarniawska’s typologies.

The issue of classification was further elaborated upon when Bruner (cited in Czarniawska, 1998, p.10) made the point that:

If classificatory schemes provide a science of the concrete, narrative may provide a science of the imagination. At the very least, a reemphasis on temporality may enable us to deal more directly with change, and thereby to make structural and symbolic studies more dynamic.

From Boje’s (2002) perspective, story-telling organisations are fundamentally “antenarrative” in that they exist to tell their collective stories where there is an ongoing struggle over getting the stories of insiders and outsiders straight. Sense-making in this regard is deemed to be in a constant state of becoming. Here a fluid linguistic framework is required where stories are seen to be the medium of interpretative exchange.

Weick (1995, p. 15) in the tradition of story-telling as the never-ending construction of meaning in organisations, explored seven properties of organisational sense-making: identity; retrospect; enactment; social contact; ongoing events; cues; and, plausibility. With regard to plausibility, Weick summarised the importance of sense-making:

If accuracy is nice but not necessary in sensemaking, then what is necessary? The answer is, something that preserves plausibility and coherence, something that is reasonable and memorable, something that embodies past experience and expectations, something which resonates with other people, something that can be constructed retrospectively but also can be used prospectively, something that captures both feeling and thought, something that allows for
embellishment to fit current oddities, something that is fun to contrast. In short, what is necessary in sensemaking is a good story. (Weick, 1995, p. 16)

In a postmodern world where the politics of interpretation and conflicting interests are arguably central to all organisations, such an interpretative approach is a necessary feature in organisation studies. Czarniawska (1998, p. 17) made the point that by letting go of some aspirations to power through the claim of factuality and one-to-one correspondence of theory and the world, organisation studies could be more open with their texts so that increased dialogical relationships could enhance organisational practice. One example here is the use of “action nets” that are similar to an Action Research cycle (Czarniawska, 1998, p. 33). Here, particularly where there are a number of individuals or organisations involved in the “net” of a particular action, there can be multiple access points or positions. The issue of what is ‘inside’ or ‘outside’ the action net is dependent upon the standpoint of the different stakeholders.

Gargiulo (2005, p. 63) has identified that stories act as a communication delivery mechanism where imagination is the medium through which connections are made, and stories are the richest way to stimulate the imagination. Reference has been made by Brown (cited in Brown, Denning, Groh & Prusak, 2005, p. 53) to knowledge as being tacit and social and residing in practice: “Practice provides the rails that knowledge travels on, and narrative is the vehicle that runs on those rails. That’s why narrative plays an unexpectedly large role in all aspects of knowledge in an organisation”. It is also stressed by Brown (in Brown, Denning, Groh & Prusak, 2005, p. 62) that as we try to change organisational structures and processes and behaviours, we are actually trying to change the tacit knowledge as well as the explicit knowledge of the organisation, and that stories are an effective means of achieving such tasks.

Stories are one of the ways knowledge is transmitted, especially social knowledge (Prusak, 2005, p. 47). In this regard the category of epistemic knowledge is identified, which is science - where science is seen to be codified, through rules and articles. Another category is purely tacit skills, such as swimming. There is also social knowledge, which is almost always transmitted by stories through means such as legends, myths, tales, and gossip (Prusak, 2005, p. 16). It has been further identified by Prusak (2005) that researchers have found that when people tell stories about other
people, the motivations are reliability, trust and knowledge. Social relationships in this regard are essential to effective story-telling in organisations.

Stories are also effective tools for learning, but it is also important that they can be developed as tools for ‘unlearning’ (Brown, in Brown, Denning, Groh & Prusak, 2005, p.56). Learning and unlearning processes can be enhanced through story-telling. Prusak (2005) has identified that stories whether in cultures or in organisations, can be transformational where learning as well as unlearning are supported.

There is also a key role of practice and action in story-telling. Brown (in Brown, Denning, Groh & Prusak, 2005) has identified that a key message is the way the world is read, not through the lens of knowledge, but through the lens of practice. Here a balancing act is identified between how to ensure that processes provide enough, but not too much, structure - to be enabling but not coercive. This issue was summarised succinctly by Brown (in Brown, Denning, Groh & Prusak, 2005, p. 94) as follows:

In a sense the power of the story, creating ways to jointly construct understanding, may be a way to avoid getting stuck in structure and to honor co-ordinated spontaneity. …there’s resistance. That’s because a narrative approach is challenging some of the basic assumptions of the dominant organisational culture, which is all about process and structure. Narrative is a counter-cultural thrust. That’s why there’s resistance and that’s why it is so important.

4.7.5 Validity

Kohler Riessman (1993) has identified that “validation” is the process through which we make claims for the trustworthiness of our interpretations. Here ‘trustworthiness’ not ‘truth’ is a key semantic difference. Truth is deemed to assume an objective reality, whereas trustworthiness has more of a focus in the social world. Kohler Riessman (1993) identified at least four ways of approaching validation in narrative work. Each one is seen to have possibilities, but also problems.

PERSUASIVENESS
This criterion is also seen to relate to plausibility. A key question can be framed “Is the interpretation reasonable and convincing?” Persuasiveness is deemed to be greatest when theoretical claims are supported with evidence from informants’ accounts and when alternative interpretations of the data are considered. In this project the theoretical claims largely followed the informants’ accounts.

CORRESPONDENCE

Whether the validity of an investigator’s interpretations can be affirmed by members in a study is questionable. For example, in this research project, reference group members’ accounts were included in the three different stories provided for the analysis. In this area, human stories are seen not to be static, as meanings of experiences shift as awareness and consciousness changes. Here there is also validity in joint accounts through stories, as was the case with this research.

COHERENCE

In regard to coherence criteria, Agar and Hobbs (1982) have identified three kinds: global, local, and themal. It is claimed here that researchers need to continuously modify initial hypotheses about speakers’ beliefs and goals (global coherence) in the light of structure of particular narratives (local coherence) and recurrent themes that unify the text (thema coherence). In this research global, themal and local coherence were integrated by the researcher in the presentation of the story.

PRAGMATIC USE

Lastly there is the extent to which study becomes the basis for others’ work. Riessman (1993, p. 68) stressed that we can make available information that will make it possible for others to determine the trustworthiness of our work by:

(a) describing how the interpretations were produced;
(b) making visible what we did;
(c) specifying how we accomplished successive transformations; and
(d) making primary data available to other researchers.

In this research project such an approach to validity was central to the integrity of the research methodology. This was based on a recognition that validation in qualitative research needs to acknowledge differing conceptions of knowledge. For example, a modernist notion of knowledge as a mirror of reality in relation to a postmodern understanding of knowledge as a social construction, can determine constructs of validity (Kvale, 1995).

In collaborative Action Research, the researchers and the subjects together develop knowledge of a social situation, and then apply this knowledge by new actions in the situation, thus through praxis testing the validity of the knowledge (Kvale, 1995). Here there is a continual interaction between action and reflection throughout the participatory enquiry. Qualitative research essentially treats bounded settings as small cultures, both in terms of how the researcher approaches them and how he or she makes connections (Holliday, 2002). Validity in naturalistic discourse is determined by the particular bounded realities of the research setting. In this regard Action Research needs to consider specific ‘bounded truths’ in the research setting.

A pragmatic approach to validation implies that truth is whatever assists us to take actions that produce the desired results. Pragmatic validation raises the issue of power and truth in social research. Questions can be raised as to where the power is to decide what are the desired results of the study, the direction of change and what values constitute the basis of action? (Kvale, 1995, p. 13). Such an approach, also addresses the danger in postmodern analyses of boundless deconstructions. Concerns that Foucault (1991) has raised about localising power to specific persons, especially their intentions and the need to analyse the netlike organisational power relationships, can also be considered in this methodological approach.

The traditional trinity of reliability, validity and generalisation of knowledge being challenged as more applicable to the positivist tradition, are not justified in Action Research. Researchers are challenged to stand outside traditional discourses of research and reinvent their approaches when they need to (Holliday, 2002).
Discursive normative theory has its grounding in discourse, targeting the actual discussion among participants in a dialogue. Here a more monological definition of truth is challenged in qualitative research such as Action Research, where participation is given asymmetries of attributes such as power, knowledge and ability (Kanbur and Schaffer, 2007).

Czarniawska (1998, p. 69) also made reference to the definition of validity as: “…the correspondence between the text and the world”; and to reliability as “…the guarantee of repeated results with the use of the same method”. However, Czarniawska challenged how these traits could easily characterise a text and outlined alternative approaches that have been developed in response to positivists’ criteria for ‘good scientific texts’:

Thus, Guba (1981) speaks of the ‘trustworthiness’ of naturalist studies (composed of truth value, applicability, consistency, and neutrality); Fisher (1987) speaks of ‘narrative probability’ (coherence) and ‘narrative fidelity’ (truth value), constituting ‘narrative rationality’; whereas Golden-Biddle and Locke (1993) suggest authenticity, plausibility, and criticality as the ways in which ethnographic texts convince their audiences. Unfortunately, like the positivist criteria they criticize, these are again ostensive criteria of a text’s success, that is, the attributes of a text that can be demonstrated and therefore applied a priori to determine a text’s success. (Czarniawska, 1998, p. 73)

There also are various requirements for realism in stories about organisations. Stern (1973, p. 40) identified three ways of understanding realism in literature and literary critique: “… a way of depicting, describing the situation in a faithful, accurate, ‘life-like’ manner; or richly, abundantly, colourfully; or again mechanically, photographically, imitatively”. Stern gave preference to stories that were richly, abundantly and colourfully depicted, particularly as opposed to those that were more mechanical in their depiction.

Stern (1973) also made the further point that a realist study does not have to support a naive simplicity of the ‘it-is-true-because-I-was-there’ kind of realism and outlined some of these issues through identifying the traps of specific types. As opposed to ironic realism and microrealism, polyphonic realism was seen to provide the opportunity for multiple voices to be heard through their own, often differing, stories when all could be reported almost simultaneously. Stern (1973, p. 75) has also
identified the complexity of paradoxical positions involving an action net approach where:

The doings in and of such an action net can be rendered by an outside observer as a multiplicity of voices coming from different sites and therefore all with their own standpoints. The simultaneous presence of contradictory narratives creates a permanent state of paradox. Resolving this paradox... is the daily work of those sisyphuses of modern organisations who end their day achieving order and rationality, only to find paradox back at their door as they come in the next morning. Quasi-literary forms help render the complexity of their experience.

The story in this research represented the raw data that could then be further interrogated in the analysis section, with the identified findings discussed in the final chapter. The basis of the story was the Action Research undertaken with members of the board and staff references groups. The minutes of meetings were primary data sources transposed into a story format following the methodology described above. Action Research involving the staff and board groups was the basis of the research study and hence the story. Added to this core story was a wider historical context where a chronology of events was also represented from the data sources.

The scene setting was also a representation of the context that was consistent with Action Research methodology, where it is identified that research is undertaken within historical, and this case, organisational, contexts. Here a wider range of data was sourced and selected according to the research themes of Compact Approach, change management and governance, as introduced in the earlier chapters. There was a greater degree of influence from the researcher’s subjective interpretation of the relevance of the data to the story and the research themes, in this phase of the story-telling.

Whilst there were 77 categories of data available only 22 categories were used in the story. The selection of data was based upon relevance to the board and staff reference group stories as well as the wider historical and organisational contexts. This meant that many of the data categories that did not meet this criterion. The following chapter provides a more detailed analysis of these methodological issues.
In conclusion, the stories we tell, like the questions we ask, might finally be about the value we place on particular stories, especially individuals relating to contexts that can connect to their personal experience (Cronon, 1992, p.1376).

4.8 Chapter Summary

The research methodological practices were established in this chapter in accordance with Action Research traditions. This included reference to historical, change management and epistemological positions as that were applied to the research following a schedule of methodological requirements to meet the rigours of Action Research methodology.

Story-telling methodology was introduced as a device for collating data that could be later interrogated in the Analysis chapter. The story-telling protocols used in the case study are described and further justified in the following two chapters.
CHAPTER FIVE

THE STORY

5.1 Aspects of the Case Study Story Methodology

*The only way to deal with dragons is to put them in context.* Horst Kornberger (2006, p. xi)

What has been established in the previous chapter was that there were many similarities and associations between Action Research and story-telling methodology. This has included reference to organisation change.

Story has been identified as being about change and an account of incidents and events (Boje, 2002). Here a chronology of events can be described, but also an account of “what has happened” can be portrayed from standpoints such as politics and power. The story-telling methodology used in this research has also included basic elements such as time, place and mind (TwoTrees, cited in Boje 2002, p. 6) and consideration of the formal properties of abstraction, orientation, complicating actions, evaluation, resolution and coda (Labov, 1972).

Denning (2004) has referred to the typology of a knowledge-sharing story where there is a process of outlining the problem-setting-solution-explanation. These elements have also been included in the research methodology; however, it is noted that they do not always occur or eventuate in any specific sequence. It was further claimed by Denning (2004), that a robust knowledge-sharing story also needs to be developed from multiple perspectives and in a minimalist fashion.

There is, however, more than just knowledge to be gained from a sequence of events. The particular problematic facing the research methodology was how to interpret and collate a multitude of data in a more readily available form that could then be analysed. As a solution, the data were coded according to whether it was in Reference Group meeting, researcher’s notes, partnerships, specific projects (some related to
governance as well as service areas), and pre-case study areas. All of the data were notated according to these subject areas (which were similar to topics introduced in the earlier chapters) and dated. This turned out to comprise of over four volumes of material. In order that the data could be collated in a succinct form for further analysis and discussion, story-telling as a case study method was utilised. However, story-telling has been used as a different convention from how it is normally used - i.e. a description of events told in situ.

As was noted by Czarniawska (1998), it is often more than a clearly defined method that is required in social science, but an idiosyncratic device. Here the process of construction and reconstruction of the story utilised the sequence of events as outlined in the coded data, but this process was also developed with reference to the systematic reflection of Action Research methodology. The researcher also constructed the story from his position. Established story-telling approaches such as “ready-fire-aim” (Gargiulo, 2005) and the use of “action nets” (Czarniawska, 1998) were also included in the story as they correlated with the Action Research methodological approaches.

The story was told sequentially which was also consistent with the recognition of an historical context that Action Research methodology supports. However, as was noted in the previous chapter, there is no “one way” to apply story-telling methodology. Issues regarding validity and reliability noted in the previous section were included and the guidelines outlined were incorporated in the story-telling methodology. Recognition of the “plurivocal” (Riessman, 1993) requirements were identified as a priority so that stories were presented from multiple perspectives to also assist to overcome some of the issues, potential and actual, related to researcher bias. The structure of the story followed sections that introduced the historical and situational contexts. To begin with the organisation, the consultant, senior staff and the board were introduced. Partnership opportunities were then scoped and outlined in the next sections, as they summarised the partnership data that was relevant to the study on the Compact Approach. The researcher’s and organisation's positions were then summarised in the final sections.

The researcher told the stories in third person (e.g. ‘the researcher’ and ‘he’) consistent with a report style for practical/organisation mode (mutual-collaboration
Action Research) where the researcher was deemed to also take on the role, at least in part, as a consultant. Reports in the third person were consistent with the writing style expected in a consultant role, being a participant-expert.

The analysis following the story construction followed the themes introduced in earlier chapters. In this regard the structure of the research moved from hypothesis, through methodology and to results, where the story was then presented and later analysed for its reflexive relationship to the research study themes.

The researcher outlined a general story by setting the scene and then three separate stories were incorporated in the chronology of events that transpired from the positions of: the researcher, the management committee (referred to as “the Board”) and the staff group. For anonymity purposes, names presented were fictitious, but the events were not. In the next chapter these stories will be analysed from the themes previously introduced in previous chapters with reference to the research topic: *An Action Research approach to supporting change management and associated governance strategies in a community services organisation.*

In order to condense and contextualise the broad and diverse scope of data provided in the data mapping of case study information, a story-telling approach was adopted, as previously justified. This provided a key analytical tool in ‘making sense’ in the pursuit of finding further meanings from the myriad of case study information available. Such a focus on context and meaning was a valid research tool emphasising processes of ‘looking for’ rather than just ‘looking at’ - the latter being more consistent with more passive observational techniques (Walker, 2003). The researcher, in following participatory Action Research protocols (Kemmis & McTaggart, 2000), was also be able to ‘look for’ and then further critically analyse not only the context of relationships between participants, but also his role and function in the research process.

### 5.1.1 Data Mapping Rationale

As identified in Appendix 7 all data sourced were listed in a data map and coded according to its source and date. For example, RGMCFEB01 refers to the Reference
Group abbreviation (RG) then the Management Committee abbreviation (RGMC) then the date in terms of the abbreviated month (FEB) and document sequence (01) which represents RGMCFEB01. The data fields represented in this way followed by the date code included:

- Reference Group, Management Committee = RGMC(+DATE CODE)
- Reference Group, Staff = RGST(+DATE CODE)
- Partnership Project = PAR(+DATE CODE)
- Partnership Project, Dementia = PARDEM(+DATE CODE)
- Project, McLeans Point Road = PROJMPR(+DATE CODE)
- Project, Mission Vision and Values = PROJMVV(+DATE CODE)
- Project, Policies and Procedures = PROJ(+DATE CODE)
- Project, General Manager’s Position = PROJGMP(+DATE CODE)
- Project, Community Aged Care Packages = PROJCACP(+DATE CODE)
- Project, Employment = PROJ+THREE-LETTER DOCUMENT ABBREVIATION(+DATE CODE)
- Researcher’s Other Notes = RES+THREE-LETTER AREA ABBREVIATION(+DATE CODE)

The headings followed the general task areas for the project of reference group (staff and management committee), partnerships and other projects. The reference groups related to the staff and committees meetings that were held throughout 2001. The partnership projects were the main partnership opportunities that were developed during the field work phase. The other projects referred to the general infrastructure projects undertaken to meet organisational changes with the involvement of the researcher.

5.1.2 Narrative and Data Source Methodology

Following Kohler Riessman (1993), a transcript recording approach was used in the story-telling section, where lines were numbered on the left hand side of the page with the story-telling text following each numbered line. This was implemented so that reference could be made in the analysis to segments of text that could be easily sourced using this numbering system. Within the body of the text, a reference system
was also used to information that had been coded in accordance with the Data Source reference system outlined above.

The transcript recording approach was chosen so that the data could be ordered sequentially and the lines numbered for reference in later analysis. This approach did not follow Kohler Riessman’s (1993) recommendations for writing down what had been heard. There was no need as it was not the transcribing, only the data numbering protocols for lines needed to be followed and used.

5.1.3 Data Audits

The story was initially formulated sourcing the board and staff reference group meeting minutes. This was the primary Action Research context where data had been recorded by the researcher but also the other participants. In this phase, data was sourced from the minutes of meetings. The researcher summarised the data chronologically and presented it in the story sections for the board and the staff. The other sections were then added at the beginning of the story to scope a wider chronology of events. In this phase data were sourced and transposed less systematically and taken from multiple sources. This phase was also influenced more from the researcher’s own interpretation of which data needed to be included and was thus more prone to subjectivity.

Data were chosen from the available data referred to in Section 5.1.1 and were selected on the basis of coverage of key themes as identified under the column headings of *Compact, Change Management, Governance* and *Other* (see Appendix 7). A sequential ordering of data according to such themes was justified also to meet the goal of ‘looking for’ rather than just ‘looking at’. It is acknowledged as qualitative research there were strong elements of subjective interpretation in identifying which data were identified and sorted according to these research themes. Table 8 below summarises all story sections and the related themes as the selection criterion the data sources used.
Table 8: Story Section Data Sources

<table>
<thead>
<tr>
<th>STORY SECTION</th>
<th>THEMES &amp; DATA SELECTION CRITERION</th>
<th>DATA SOURCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setting the scene: the Baycom organisation</td>
<td>Summary of organisation to provide a context.</td>
<td>Information summarised from Case Study Chapter</td>
</tr>
<tr>
<td>The board</td>
<td>Introducing board members with roles and characteristics.</td>
<td>Reference Group data</td>
</tr>
<tr>
<td>The senior staff</td>
<td>Introducing staff members and some of the board-staff issues.</td>
<td>Reference Group data</td>
</tr>
<tr>
<td>The consultant</td>
<td>Who consultant was, connection with organisation. Consultant’s research interests.</td>
<td>Researcher’s personal information and knowledge</td>
</tr>
<tr>
<td>The opportunity</td>
<td>Researcher wanted project board wanted help</td>
<td>Meetings and correspondence with organisation.</td>
</tr>
<tr>
<td>Let the show begin</td>
<td>Introducing goals and similarities and differences in management committee and staff groups</td>
<td>Reference Group data</td>
</tr>
<tr>
<td>Growing in partnerships – opportunities and threats</td>
<td>Scoping rationale for partnership projects</td>
<td>Partnership project data</td>
</tr>
<tr>
<td>Once bitten twice shy</td>
<td>Ongoing rationale for partnerships following unsuccessful partnership experience</td>
<td>Partnership project data</td>
</tr>
<tr>
<td>Going it alone- back to the reference groups</td>
<td>Reference group functions in context of partnership projects.</td>
<td>Reference Group data</td>
</tr>
<tr>
<td>The board group’s story</td>
<td>Chronology of meetings with events following action or event and consequent state of affairs. Elements of time, place and mind</td>
<td>Reference Group data</td>
</tr>
<tr>
<td>The staff group’s story</td>
<td>Chronology of meetings with events following action or event and consequent state of affairs. Elements of time, place and mind</td>
<td>Reference Group data</td>
</tr>
<tr>
<td>The project development workload</td>
<td>Summary of researcher’s and organisations stories. Final problematics and resolutions.</td>
<td>Reference Group data</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Researcher’s notes</td>
</tr>
</tbody>
</table>
To validate the integrity and trustworthiness of this process the following examples of the data audit trail are provided. Firstly, the Management Committee Reference Meeting held on 8 February 2001 and minutes recorded. Here there were 8 key goals identified for the group to focus on (see Appendix 4). These goals were then transposed in the story lines 109-121.

Likewise with the Staff Reference Group Meeting held 22 January 2001 (see Appendix 5) five key areas or goals were identified and they were recorded as lines 098-104of the story. In the Staff Reference Group meeting held 5 February 2001(Appendix 6), a further key area or goal was identified recorded in lines 105-106.

The focal activity in this research was on the development of the board and staff reference groups and data collated over a 17-month period. These groups were central to the Action Research. The researcher began the formulation of the story based on the staff and board reference groups. The meetings also followed a chronological sequence that could easily be formatted following story-telling methodology. For the Board or management committee this began with RGMCFEB01 through to RGMCMOVOV10 with reference also to the researcher’s notes. For the staff group this process commenced with RGSTJAN01 through to RGSTAUG08 as well as the researcher’s notes RGSTNOTES09.

The researcher systematically summarised each line and paragraph of the meeting minutes as the basis of the story section for the reference groups. This involved cross-checking that all of the information and ideas represented in the meeting minutes received a tick next to each line when represented until all of the data in the minutes had been verified as being included. This process involved three edits of these sections of the story until all data had been summared, transposed and included. The sections were also then edited for persuasiveness, correspondence, coherence and pragmatic use as outlined in Section 4.7.5. To add a wider historical and chronological context consistent with Action Research methodology, the earlier sections were then added. The data here were identified by the researcher as adding additional information both before and after the reference group sections. Here data were sourced and selected from the data mapped in Appendix 7. The data chosen by the researcher for inclusion in these sections were on the basis of providing a wider
context for the reference group section particularly in terms of the relevance to the partnerships, change management and governance themes. It is acknowledged that this phase of the story writing was more subjective and less procedural than the first phase involving the reference groups.

All of the data that had been mapped were represented in Appendix 7, to disclose the information that was available to the researcher. The story only contained certain data categories, as not all of the data categories had information that met the above data selection criterion as outlined also in Table 8. The issue of redundant categories only became evident after the story had been developed, and particularly following the second story-writing phase. All of the data have been presented and mapped in Appendix 7 to provide the opportunity for all data sources to be scrutinised. This has provided the opportunity for other researchers to test the reliability of the data as well as the validity or trustworthiness of the data transposed to the story.

5.1.4 Data Method

All of the data used in the story followed a process of being transposed from its primary source and included in the story sections. There were some obvious limitations and concerns raised regarding the integrity of the data following this process. Firstly, it needs to be acknowledged that the researcher had some bias in terms of which data were selected. Secondly unless the data were transposed word-for-word they became secondary data that may not have been fully representative of the primary data. Such a ‘watering-down’ process could also be used to misconstrue or re-interpret data. Limitations such as these were acknowledged as potentially compromising the information used in the story-telling methodology.

It could also be argued that the identification and inclusion of data according to research themes lacked replicable methodological process as it was reliant upon the researcher’s interpretations. Whilst the theme categories were identified in the earlier chapters and the data interpreted within this framework, the issues and events using such reference points did emerge out of the data. There may also have been other strategies to identify emergent themes that could have been followed such as the graphics COPE mapping processes where software is able to structure problems and
situations through a process of interlinking ideas using maps. Elsmore (2001) has used such methodology. However, it was not clear what would emerge from the story telling and the data was then interrogated according to previously identified research themes that had already been scoped and justified.

5.2 Now for the Story Section

The first section of the story is a summary of the case study organisation as outlined in earlier chapters so that a context can be provided from the data presented in the latter sections of the story. Here there is the opportunity for the reader to be led into the action contexts from what has previously happened and is consistent with Action Research methodology where the historical context is particularly relevant and the researcher is present at a particular time and as part of a wider process (Grundy & Kemmis, 1996).

Following a review of narrative methodology undertaken by Mitchell and Egudo (2003), which involved a significant literature review across the fields of psychology, sociology, linguistics, philosophy, anthropology, organisation studies and history, they have provided a summary of applied aspects of narrative particularly related to organisation science. This has included areas such as: gaining insight into organisational change and cultural change; the transferring of complex tacit knowledge through story-telling; narrative as constructing identity; narrative aiding education; stories contributing to sense-making; narrative acting as a source of understanding; providing insight into decision-making; and, knowledge transfer.

There appears to be no reference in any literature review in this area to story-telling being used to interrogate the data in a case study (or any other study). As outlined in the previous sections of this chapter (see Czarniawska, 1998), some analogy can be made to the ‘sense-making’ approaches in story-telling and the methodology used in this research. However, ‘sense-making’ approaches in the literature have tended to focus on making sense out of a context and not out of the available data (see Mitchell & Egudo, 2003), as has been previously stated in the methodology section as a problem needing to be addressed.
With reference to case study methodology, a differentiation can be made between a case study and story-telling. Denny (1983, p. 2) argues that case studies:

are intensive and complete examinations of a facet, an issue, or perhaps the events of a geographic setting over time … a story documents a given milieu in an attempt to communicate the general spirit of things. The story need not test theory; need not be complete; and it need not be robust in either time or depth.

This general communication of the ‘spirit of things’ needs to also focus not so much on imaginative representation but on representing directly observable referents (Denny, 1983, p. 5). Here story-telling can be identified not so much in terms of problem solutions but problem definition.

The complexity of case study often involved paradoxes where there was a need to represent the complexities of a particular case and to accumulate information and also make sense and simplify what had happened in order to understand it. As Walker (1973, p. 64) has described, “The most difficult thing is not collecting information, so much as losing it, for in order to tell a story from the data, information must be selectively processed. Meaning does not simply fall out of information, it needs to be looked for”.

The ordering of meaning through story-telling can relate to practical circumstances or problems that are portrayed over particular time periods. In this regard, the point can be made that with story-telling there is the opportunity also of ‘personal’ meaning being able to be connected to ‘public’ meaning. The meaning associated with practical events is ‘looked for’ rather than initial theoretical positions. The relationship with theory will follow in the chapter on Analysis and Findings.

A requirement of evaluation is to be able to have descriptions, or representations of events, individuals, organisations, situations, places and processes (Walker, 1973, p.55). In this regard the fundamental question can be asked “What is happening here?” The need for a focus on such descriptive and representational elements is why story-telling methodology has been used in this research study.
Description and observation are closely linked to what we are looking at and what we are looking for. Walker (1973, p. 58) has described this situation quite succinctly as follows:

When we ‘look at’ we are likely to take pre-established categories for granted (or certainly on trust), to accept questions as given and to concentrate our energies on filling-in the boxes in some pre-ordinate plan. When we ‘look for’ we appear to be less systematic in our methods and approach, and to find significance in contexts, idiosyncrasies and particularities.

Story-telling, as a methodological tool in this case study, has provided a structure where, through the text, thoughts have been linked and the context represented. The story had set limits and there is definitely a danger as well as an advantage in being able to be in control of what the reader has access to. The limitations of the methodology will be discussed in more detail in Chapter Six.

It can be argued that the reader does need to have some control over the interpretative processes in a case study. Whilst there is a tendency to want to make generalisations from what is presented, there is also the need to resist over-generalisation. Walker (1973, p. 66) has established a particular role of case studies also in preventing generalisation processes.

For most of us generalization is too easy, we readily form opinions on the basis of minimal evidence. The power of the case study is that it resists condensation and is not easily assimilated by propaganda. It celebrates complexity, idiosyncrasy and particularity – features that slow the all too ready human propensity to generalize.

Walker (1973, p. 56) has identified that using a third person as a literary device (e.g. David as an alias for the researcher, as used in the story) provides the opportunity for the writer to signal ideas, meanings and significances to the reader through that character rather than as the writer. In this research program the researcher had also taken on the role of consultant and as such needed to separate the personal from the ‘professional’; for example, when using a report writing style. The use of a second and third person in the story-telling was consistent with this approach and this also provided the possibility of analysing the character of “David” at some distance.
5.3 The Story

SETTING THE SCENE: THE BAYCOM ORGANISATION

The Baycom organisation was established to meet a community need as a result of an accident where a young person committed suicide at least partly as a result of boredom and not enough to do in the Bayside area. The local residents demanded action from the local authorities and took action themselves in establishing an organisation to provide certain social services to meet local need.

It had the task to identify community need, and where possible to stimulate the interest of the local community in establishing community services. In its social advocacy and action role, the organisation also sought to develop a stronger voice in demanding and establishing services to meet the needs of the community. People were angry and at least some of their energies were channelled to ensure that a repeat of such a tragedy would not occur again.

In the early 1990s, a youth services program was established and housed in a Council building. Soon, another community development role was funded to continue to support community need. Community aged care services were also then established with the support of local government representatives keen to make a positive outcome following such a tragic genesis.

From the mid to the end of the 1990s, Baycom had established a range of activity programs for children and youth, as well as for the aged members of the local community. The Council was also persuaded to build a leisure activities centre with Baycom raising over $100,000 as its contribution.

By the end of the 1990s, Baycom was facing increased expectations from government to manage its services more as a business, with demonstrated
inputs, outputs and efficiencies. For a group of volunteers, driven by a social
cconscience, this expectation was seen as more and more onerous, managerial
and a ‘hard pill to swallow’ for those who thought their freely given efforts
could now be exploited by government.

With a very high proportion of elderly in the community, as well as those who
were socially disadvantaged, Baycom was presented with increasing
opportunities to grow and expand its community aged care programs, but there
was disagreement and a divide emerging at the Board as to whether ‘such
medicine’ was indeed ‘a poisoned chalice’ or the ‘panacea to meet many of the
social problems in the community’. This issue and disagreement among the
Board had stalled growth and development in services from mid to late 1990s.

THE BOARD

Throughout the 1990s there had been six to eight Board members. By the end
of 2000, there were seven. Four of the seven were from the founding group
who helped establish Baycom: Jennifer was President, Garry was Deputy
Chairman, Helen was Treasurer and Shirley was Secretary. The other three
board members, Allan (Public Officer), Delores (new to the Board) and
Margaret, were associates of Jennifer and Garry (RGMCNOTES11).

The Board had a strong sense of social justice and had been very successful
with the submissions for new funding to this point, but they were in
disagreement as to how much more the organisation could grow. Jennifer and
Garry were the strongest advocates for further growth and appeared to have
most influence at the Board level. Helen was less sure and although committed
to a vision for the future had her real strength in fund raising, ‘balancing the
books’ and making sure that everyone followed systems and procedures.
Allan, Margaret and Delores, the newest members, were there in a supportive
role with less intricate involvement in the power and decision-making
processes and tended to go with the status quo (RGMCNOTES11).
At the end of 2000, there were six staff members with co-ordination roles.
This group included Jane (recently appointed to the new position of Aged Care
Manager), Dorothy (taking over from Jane), Mark (the Youth Worker),
Christine (the Community Development Worker), Isabelle (Administration)
and Kate (Children’s Services). A year prior to this, the then Community
Development Worker (Terry) had assumed control as the General
Manager/Chief Executive without the legitimate title. Terry provided day-to-
day decision-making leadership, but the delegations of responsibility ‘had just
happened’ and were not clearly defined. This led to decisions being made
by Terry that the Board were not happy with, and there was a parting of ways
following an incident where there was $30,000 being approved by Terry for a
piece of artwork in a prominent place in the community that the Board
generally did not like and had not authorised. The Board did not trust the staff
following this incident and maintained tight control in terms of reporting and
decision-making from staff (RGSTNOTES09).

David was a management consultant, specialising in support services to
community organisations and government departments. At the end of 1999
and the beginning of 2000, he was providing training with a series of modules
to support boards of community organisations in meeting their governance
responsibilities and to more effectively deal with the changes in areas such as
accountability, that had swept the community services industry.

The Baycom Board had decided that none of the Board members would attend
this program, but instead sent two staff to attend and report back. David heard
about a range of challenges as well as opportunities from mainly small to
medium sized community-based organisations including Baycom. Having a
concern that the government reforms were not always in the ‘best interests’ of
such organisations, David had been adopting more of an advocacy and support role and was wanting to influence government policy through research.

**THE OPPORTUNITY**

David met with the Baycom Board in July 2000 to discuss the issues facing Baycom and to outline the research opportunity and proposal. It was agreed that David would work with the Board as one group and the staff as another to identify and problem-solve issues. The Board saw the opportunity to utilise the services of a consultant ‘free of charge’ whilst David was able to meet his research needs.

Following agreement with the Board’s wishes, David would meet with two groups, the Board Group (B.G.) and Staff Group (S.G.), separately to identify and workshop organisational issues. David began meeting informally with the staff and Board at the end of 2000 and then more formally from early 2001.

**LET THE SHOW BEGIN**

After covering such formalities as terms of reference for each group, the S.G. began their first monthly meeting in early January and identified five initial goals that emerged as planning priorities. They included:

1. space requirements;
2. systems and procedures, including infrastructure requirements;
3. staff development and training;
4. effective interface with the Board (e.g. with polices and procedures review);
5. need for sub-committees to be developed in response to increasing diversification and growth in the service areas” (RGSTJAN01).

In the March meeting an additional goal was added:

6. the appointment of a General Manager” (RGSTMAR03).
Similarly the B.G. began their monthly meetings in February and identified eight key planning goals to focus on:

1. Baycom’s mission and purpose, particularly the Board’s role as a representative group of the community and responding to identified need and changes in need;
2. maximising windows of opportunity, e.g. aged care and youth services.
3. project management;
4. dealing with significant growth including being proactive and responding positively to change;
5. time for dealing with staff issues;
6. providing appropriate infrastructure so that things do not ‘slip through the net’;
7. reviewing organisational structure in line with required changes;
8. reviewing possible need for sub-committees or service area contact people who are Board members” (RGMCFEB01).

The goals had many similarities with a strong focus on the need to develop infrastructure and to maximise opportunities for growth. The need for effective communication was also common to both groups; however, the focus was very different in each group. The S.G. expressed a strong need to be heard and for information to be clearly shared down the line to staff (RGSTMAR03). The B.G. also had concerns about communication with staff (including trusting them) (RGMCAPR03). David was very much in the role as a ‘go between’, but tried to maintain confidentiality and support each group to make their own decisions (RGMCNOTES11; RGSTNOTES09). The B.G. also held its mandate for social justice in service delivery (RGMCSEP08).

GROWING IN PARTNERSHIPS - OPPORTUNITIES AND THREATS

Baycom was provided with increased funding and associated program opportunities from government, particularly for its community aged care programs to grow and expand in providing community-based services for an
ageing population (PARJUN0001-11). These opportunities also emerged for regional applications. As Baycom was currently providing services for less than one-third of the Illawarra area, to apply for region-wide funding it needed to either expand its own scope of service area or form partnerships. It chose the partnership option. In June 2000 Baycom was successful in an Australian Government project to cover the whole Illawarra region in partnership with a Council in the northern part of the region with funding approved for $200,000. The original application was for $522,000 to meet the identified need outlined in the tender document (PARJUN0001). The Council was to be the controlling body for all funding with a memorandum of understanding established with Baycom to use only some of it ((PARJUL0002). Negotiations were held with the Council, Baycom and the government department. Baycom had requested a vehicle, as well as ongoing funding (PARJUN0004).

The Council had decided that it may not proceed with the partnership with Baycom and stated that there was a more cost effective option by contracting out its services through different ‘brokerage’ services (PARJUL0007). Baycom had a clear preference to provide its own staff to ensure quality services and Council knew this was Baycom’s approach (PARJUN0006). This tactical change was presented to Baycom by Council at a meeting and Jennifer and Jane were furious at Baycom’s sidelining (PARAUG0017). They had perceived that with such a smaller ‘bucket’ of money and Baycom’s on claiming the capital funding it had included in the original application, that Council was also stating its claim by excluding Baycom altogether from future negotiations (PARJUN0006-07).

Baycom immediately called a meeting with the department. It was made clear by the department that the funding applied for one year ($830,000) would in fact be spread over four years with the first year’s amount of $65,000 being available for Baycom (PARJUL0010). Negotiations proceeded so that Baycom would have a separate funding agreement from the Council and the small amount of $65,000 available to Baycom could be deemed as Stage 1 of a
larger project still to be funded. Baycom reapplied for this program with the support of local service providers, as well as the local Federal member, and received over $100,000 funding per annum for a four-year period and with almost all of the capital funding originally applied for also included over and above this amount (PARJUL0012; PARAUG0017).

Baycom was needing to consider partnerships with other organisations as well as the government to meet service delivery models in a wider geographical area that it had previously been operating in. Whilst they had been unsuccessful with the Council in the original proposal, the support provided by the local member and other local organisations definitely assisted in the success of the revised proposal (PARAUG0017). Baycom lost confidence in dealing with larger organisations such as the Council in establishing partnerships. Jennifer and Jane had found that what was originally a project to work in partnership had ended up as a proposal where conflict, competition and separation had prevailed. Council also came off ‘second best’ but Baycom had still relied on its ‘grass roots’ and political partnerships to influence the outcome to get the project ‘across the line’ (PARAUG0017).

ONCE BITTEN TWICE SHY?

A few months after this experience, Baycom was again considering another partnership opportunity in order to get funding for people in the community with Dementia who needed respite services (PARDEM0101). Again the government was promoting partnerships to provide this program across a wider geographical boundary than where Baycom operated (PARDEM0102).

Baycom entered discussions with a division of a health service to agree upon a proposal and the allocation of geographical service boundaries (PARDEM103). Discussions involved developing a service model with a mixture of centre-based and in-home respite depending on the identified surveyed needs of the target group carers who needed respite for those whom they cared for to continue in caring roles. The service delivery model was
agreed and that Baycom would receive one-third and the health service two-thirds of the funding, based on the regional allocations and service delivery areas already covered by each organisation (PARDEM104).

With the deadline drawing near to submit the funding application, Baycom had completed its section and was awaiting the health service’s contribution. They were ‘dragging the chain’, stating that they did not have enough time to complete their section. At the eleventh hour they completed their section and the application was submitted (PARDEM0108). However, the application was unsuccessful. When Jennifer and Jane contacted the funding body to obtain feedback, they were informed that Baycom’s section of the application was very good, but that the health service’s section was very poor and this was the main reason the application was not successful. It was also stated that had Baycom submitted an application not in partnership, they most likely would have been successful (PARDEM0115).

Baycom’s management and Board felt ‘bitten’ again when exploring and entering into partnerships for funding applications. They decided on focusing more on developing services through existing informal partnerships and to ‘go it alone’ with funding applications.

GOING IT ALONE - BACK TO THE REFERENCE GROUPS

Whilst the partnership project with the health service was being developed, negotiated and finalised, the board (B.G.) and staff (S.G.) reference groups were underway. The internal infrastructure required for Baycom’s further growth and development was a priority for both groups and this involved meetings and planning and development activities where a sequence of planning, acting, observing and reflecting were also considered.

THE BOARD GROUP’S STORY

On the B.G., Jennifer and Garry were interested in growth opportunities, including future partnership opportunities (they had not been completely
disillusioned by the previous experiences). Helen was also interested in
growth, particularly as she could see some of the ‘signs on the wall’ with
efficiencies from economies of scale and more opportunities to ‘balance the
books’. Shirley saw the recent experiences as evidence that there were too
many dangers in further growth and held a strong position that there was a
need to consolidate the organisation and that it had grown enough. Delores
only remained on the B.G. for a short time before becoming a member of staff.
Margaret only attended the first meeting and lost interest in the whole
planning process. Allan remained in the background and was generally silent
except to occasionally support positions held by some members, particularly
Jennifer. Growth and infrastructure needs were planned to be developed and
discussed throughout the meetings (RGMCAPR03). An emerging issue was
the need for the Board to focus more on governance issues and to hand over
delegated responsibility to a General Manager (RGMCAPR03). As the
organisation had limited resources, any growth would need to have enough
funding attached to it to meet any additional resource costs. In other words the
organisation was not in any position to fund any debt associated with further
growth and development (RGMCAPR03).

A skill set was developed for the General Manager’s position with a particular
emphasis on needing to have strong people management skills
(RGMCMAOY04). New projects were also discussed that involved the support
(and influence) of the local Federal member. This strategy would also involve
promoting the organisation more in the community (RGMCJUN05).

The Chairman of the Board was appointed as General Manager of Baycom at
the end of June. This was a unanimous decision of the Board (and not without
strong influence from Jennifer herself). Helen had also been appointed as
Chairman. Shirley was appointed to Helen’s previous position of Treasurer.
Soon after Jennifer’s General Manager appointment, a strong systems
management approach seemed to emerge (RGMCJUL06). The changing of the
guard had also meant that Helen and Jennifer were taking most of the control
in the organisation. Helen’s systems management approach was an obvious
priority obvious early on with her Chairman’s role, which the new General
Manager could also implement.

By August there were reports that the community was becoming more aware of the organisation - some of the marketing strategies were obviously working. The organisation was growing as was evident with three new funded staff positions. The systems management direction was also gaining more impetus (RGMCAUG07).

Baycom had been instrumental in lobbying Council to build a local Leisure Centre and had raised $100,000 towards this project. Helen and Jennifer were to attend the opening in October and Jennifer, Helen, Shirley and Garry (the longest serving members) could see ‘the fruits of their labour’. The media exposure was also profiling the organisation even further in the local community as well as with government departments and agencies. The cycle of systems implementation had also evolved to the point where a number of policies and procedures that had previously been devised and implemented were being favourably reviewed. This had also been met by staff with concerns that they were spending more and too much time on administration at the expense of core business activity. Divisions between staff and board appeared to be widening. The Board’s response to this state of affairs was to notify and direct the staff to work more with the General Manager in systems implementation and that there was a need for a planning session to bring “unity in action” (RGMCSEP08).

In October, Helen reported that she had worked more intensively with systems implementation. It was also reported that a new community care project had only been just over 50% filled. This would have significant effects on the budget, particularly in funding the General Manager’s position. The Board decided to contact the local member to put pressure on the government referral agency that was identified as holding the process up of receiving clients (RGMCOCT09).

The final B.G. meeting was held in November with a review of the year’s work being undertaken with a general consensus that the process and
outcomes developed had assisted the organisation in meeting the changes and challenges it had been facing. David was thanked in his role in assisting the Board and staff to learn skills and strategies to meet such organisational requirements (RGMCNOV10; RGMCNOTES11).

THE STAFF GROUP’S STORY

Over roughly the same time period that the B.G. had been operating, the Staff Group (S.G.) had monthly meetings from January to August. In the first meeting, David facilitated the process of identifying planning goals for the Group to work on throughout the year. Jane and Christine were the most active participants with Mark and Isabelle relatively silent - they appeared to be less engaged in the possibilities that could be developed. This group wanted a more democratic process with mechanisms established such as rotation of minute taking. David took the minutes of the first meeting and then it was agreed to rotate the minute taking from the second meeting on (RGSTJAN01).

At the second meeting, to instil confidence in the process, David reminded the group that what was recorded in the minutes of the S.G. was kept separate from the minutes of the B.G. and members of either group were not able to view the contents of the other group - the minutes were kept locked up with access only allowed to David and to the Administrator, Isabelle (RGSTFEB02). Effective consultation was a high priority for the staff. The ebb and flow of trust and distrust between the staff and Board was in the everyday experience of all of the staff members, particularly with the level of systems (e.g. polices and procedures) accountability that was required from staff. They saw the need for sub-committees to be developed, not only because it was a means to the end of meeting organisational infrastructure goals, but an end in itself in the sense of opening up improved channels of communication. Staff members were also requesting to be at Board meetings for issues that concerned their area of responsibility. They also saw the need for a Centre Manager/General Manager as having the potential to meet many of these liaison needs, particularly regarding administrative processing.
requirements (RSSTFEB02).

At the third meeting: Isabelle focussed on the administrative requirements of the group such as the need for a dictaphone; Mark outlined the need for more space for all services; Jane outlined that Baycom was negotiating a new building for the expanding aged care services and requested David’s assistance; Kate focussed on the limitations of her children’s services building; while Christine referred to the current building needing to be used again for its original intentions as a building for youth and community activities. The staff members were also concerned that with increasing accountability and quality requirements, the organisation urgently needed to prioritise and develop more policies, procedures and related systems (RGSTMAR03).

The April meeting reviewed the planning activities following planning, acting, observing and reflecting processes. The group then systematically went through five out of the six goals, led largely by Jane who appeared to be emerging as the leader or spokesperson for the group. She was also the one who appeared to see the most opportunity for getting things done through this group and the associated processes. The only goal not discussed in detail was staff training and development, which appeared to have a secondary function to ‘getting it right first’ with the other goals (RGSTAPR04).

At the fourth meeting, two new members were introduced: Anne (Aged Care Coordinator) and Delores (who had previously been a member of the Board). David led part of the process by summarising where the group was up to in planning, acting, observing and reflecting in each of the six goals. People management skills emerged as a high priority in the organisation for the General Manager’s position. Safety issues and policy requirements, particularly for children’s services, emerged also as a priority for those who participated in the discussions (RGSTMAY05). There was a lot of diversified discussion in this meeting which was in contrast to the next meeting where training and development was the focus (RGSTJUN06). The following meeting in July also focussed on the lack of training. Jane suggested a training needs analysis program be undertaken for areas such as computer
In the final meeting, a review of the goals was again undertaken (RGSTAUG08). It was agreed that the goals had substantially been met. Change management, systems management and organisational growth were discussed, mainly with contributions from Jane, David and the new General Manager Jennifer. The other members were quieter and less engaged than usual in this meeting. After the meeting, Jennifer met with David and suggested that the S.G. had met what it had set out to achieve and advised him that it would no longer continue. This discussion did not involve any other member of the S.G. David then advised the S.G. members that the group would no longer continue for the reasons stated by Jennifer.

A few weeks after this meeting, staff members were reporting to the Board their dissatisfaction with the General Manager which resulted in the General Manager leaving and a new one being appointed - this time from the staff ranks (RGSTNOTES09).

THE PROJECT DEVELOPMENT WORKLOAD

David was busy all of the time focusing on how to keep the groups on track with their goals as well as assisting with planning and implementing a range of projects required to meet these identified goals. David was concerned that without the required infrastructure, Baycom would not be able to cope with the changes it was planning (RGMCNOTES11; RGSTNOTES09). This required developing: a range of policies and procedures; associated documentation, such as position descriptions for new staff; partnership opportunities; a new aged care venue; an organisational vision, mission and values statement; revised Board governance practices; and a case for a General Manager.

David also had to meet the requirements of his research study; in particular to record the processes that were followed by the groups and to record his observations in keeping with the discipline and protocols of the case study methods more generally.
Baycom was growing and developing at a rapid rate with the increased workload having to be shared by all. The B.G. wanted some of the S.G. to complete the required tasks, but also wanted to be involved themselves. This caused some degree of conflict at Baycom with S.G. comments such as “Why don’t they just leave us alone and stop interfering” (RGSGNOTES09) and B.G. comments such as “This lot just don’t know how to get organised” (RGMCMNOTES11). The political environment was heating up with increased divisions occurring between those for and against change (RGMCMNOTES11).

At this point David’s time at the organisation had come to an end.

5.8 Chapter Summary

What was presented in this chapter was an historical and epistemological overview of Action Research and the research basis for utilising story-telling as a case study methodology for the collation of a range of data from multiple sources. The story section provided a context of key events, following a chronology that will now be used for analysis related to the research’s key themes introduced in earlier chapters.
CHAPTER 6

ANALYSIS AND FINDINGS

6.1 Methodology Summary and use of Story-telling Analysis

The case study methodological approach used in this research study was contingent upon the use of story-telling as has been established in the previous chapter. The nature of this approach was that it utilised attributes such as imagination and directly observable referents which could assist in problem definition. In this regard there was a focus also on “looking for” rather than “looking at” (Denny, 1983). It was also identified that in the vast amount of data that had been generated from the case study, there was a need to identify “What is happening here?” so that the case could then be analysed.

Here story-telling methodology as a data analysis tool was recognised, by itself, as not making obvious statements about what was needed to be changed; this followed in the later analysis. Action Research methodology was also used as a change management tool, more as 'applied' research. 'Pure' research has been defined with its focus more on questions of theory whereas 'applied' research has been be identified as having more of a focus on “frontiers of action” where there was more of an interest in questions of methodology (Goodson & Walker, 1983, p. 25). In the previous chapters it was also demonstrated that Action Research had a propensity to be able to bridge the gap between theory and practice and, as such, this research study presented a practical case where the theoretical positions outlined in the earlier chapters can now be further investigated in this Analysis and Findings chapter.

Here the use of case study can be portrayed as seeking to describe rather than analysing or explaining more of a ‘complete’ setting. It has been recognised that the researcher has undertaken this study at a certain place, at a certain time, and does not have a ‘complete’ perspective of all that has occurred in the case study organisation. There have really only been fragments from multiple positions that have formed the basis of what will now be analysed and discussed. As Goodson and Walker (1983)
have described, story-telling does not aim to test theory or represent ‘completeness’, but rather provides for a study of practical problems arising out of the setting itself rather than from social or other theory within a defined time scale. From this the more ‘personal’ meaning that was captured can be related to a more ‘public’ meaning.

The researcher’s role in this process was somewhat tenuous. Obvious concerns can be raised about the researcher’s influence in this project, particularly as was identified as not only as a participant-observer, following Action Research protocols, but also taking on a ‘consultant’ role as was particularly sought from the organisation. In such circumstances Goodson and Walker (1983, p. 37) have raised the issue of collusion:

> The researcher can only start, and end, from a negotiated stance with its own perspective. But such a stance is not only an intellectual position, for it enters the situation under study as perceived authority. The access that is granted to the researcher is always to a fragment, and perhaps to a figment, and often this negotiation between researcher and subject as to what will be revealed amounts to collusion.

In recognising such biases, both actual and potential, the researcher has attempted to disclose these limitations, and to highlight them in Action Research particularly as they applied to the practical/organisational mode (mutual-collaboration) used in this research (Grundy & Kemmis, 1996). The researcher was not a detached observer but participated also with personal, as well as professional biases which included his own perceived technical expertise that was considered to be of benefit to the case study organisation.

The researcher also used second and third person references to himself in the story-telling section as an attempt to overcome some of these limitations. This followed more of a ‘report writing’ style, consistent with being both a participant-observer, as well as following a more of a ‘consultant’ role.

Walker (1983, p. 56) has described in such situations that there is the opportunity to provide additional contextual elements in story-telling representation:

> Using the literary device of writing through “Pete” allowed me the licence of signalling ideas, meanings and significances to the reader without having to
work through the references, qualifications and balances that would be required if the same information were to be presented in the form through a scholarly argument.

Walker has also described (1983, p. 57) that in evaluation and applied research “…the pursuit of appropriate truth is more important than the perfection of technique, or contribution to the discipline”. In such a seeking for ‘appropriate truth’ when using story-telling (and as can be equally argued with other case study methodologies), less emphasis may need to be placed on systematic methodology and more emphasis given to areas such as contexts, idiosyncrasies and particularities. As discussed in the previous chapters, there was no ‘one’ way to design methodologies in social science and a strong case was made to design a particular ‘device’ out of the research methodological problematic presented (see Czarniawska, 1998; Kohler Riessman, 1993).

In this regard Walker (1983, p. 62) raised the position that:

Once we stress the pursuit of meaning (‘looking for’) rather than the passivity of observation it seems logical to begin to think about reconstruction, not just at the level of conversation, but at the level of accounts. This provides justification for the use of story telling to communicate ‘the general spirit of things’ that relies on the structure of the narrative line to carry thoughts from one thing to another to create a certain connectedness that is essentially cumulative where the bits can interact and interconnect. Meaning does not simply fall out of information, it needs to be looked for.

It is now the task to ‘look for’ meaning through an analysis of the story, particularly with reference to the research topics introduced in the earlier chapters.

6.2 Analysis of General Data

6.2.1 Data Representation Issues

As discussed in Chapter Five, Appendix 7 summarised the data sourced and it was mapped in a table format. Data referred to in the actual story itself was sourced by way of the coding system outlined in this data map. Data were included in the data map on the basis of it containing information related to the key themes introduced in
the earlier chapters. Categories such as compact/partnerships, change management, governance and ‘other’ (not included in the previously-mentioned three categories) were used so that the relevance of each form of data could be charted.

It is also acknowledged that the researcher had identified the data for inclusion in the story following the rationale provided in the last chapter (see sections 5.1.2 to 5.1.4) related to Table 8. This process was influenced by the researcher’s own evaluation of how each chapter would be constructed and which data field themes were therefore of significance. Had another researcher undertaken the same study, there might have been different data included in the story based also in their own perceived subjective understandings of what themes and specific data were of relevance.

Whilst there were definite biases identified that impacted on the integrity of the data sourced and collated, as well as the validity of the methodology, the researcher was able to inform the research process with his technical expertise that followed the rigours of the Action Research practical/organisational (mutual-collaboration) mode. Here the researcher acted not only as a participant-observer but was able to input his technical expertise, following a ‘quasi’ consultant function consistent with this Action Research mode.

There were also some ‘obvious’ and ‘not-so-obvious’ biases and issues around data representation. For example, regarding the transcript recording approach following Kohler Riessman (1993), the data were presented in sections following the themes of scene setting, partnerships, the Board’s story, the staff group’s story, and the project development workload. These areas also had themes embedded within the text relevant to the problematic outlined in this research in earlier chapters. However, these themes and sections, whilst having some perceived logic to their presentation, were only fragments of the overall setting and far from a complete representation of the wider context and setting.

Another issue was the process of recording following a ‘hanging tab’ approach in the story. For example, with the number followed by text for each line, each time the data was edited in one particular line, all of the following lines needed to be adjusted in terms of where the following lines, numbers and text were. There appeared to have
been no identifiable solution to this problem. There may have been available software that would have been able to format the story and any changes made to the lines, more systematically. The researcher was not able to source anything suitable and needed to developed his own approach (very much as ‘work-in-progress’). More sophisticated software in for story-telling is definitely an area for further development. Perhaps a researcher with higher levels of information technology (IT) expertise might have been able to devise a more appropriate recording tool.

The integrity, trustworthiness and reliability of the data included in the story have been established in the previous chapters. To further validate the story-telling data, multiple sources other than the lines could have been referred to. This would however, assume a lack of confidence in the collation of data for the story-telling methodology and may well constitute further research of this tool to validate its efficacy. The cross-checking methods utilised in this study, particularly for the board and staff stories have provided enough confidence for the researcher to use the story for the major data reference source in the following analysis section. Whilst it can be argued that the themes have not only emerged out of the data (they were pre-existing) they have provided a justified framework in terms of the research problematic presented in the earlier chapters to be used in the analysis with reference to ‘looking for’ rather than just ‘looking at’. As mentioned in the previous chapter there may have been other case study method approaches that could have supported more the emergence of the themes from the data, such as with COPE (see Elsmore, 2001).

In summary, the integrity of the data and the research methodology regarding data selection limitations and biases have been discussed and disclosed. There could also be other limitations and biases that the researcher has not been aware of that may require acknowledgement. The data in the story contained summaries and direct quotations from the data set (the frequency of the direct quotations in the story may have also in creased the data validity). It is the task of this chapter to interrogate the story to establish key research findings that will also be discussed in the following chapter.
6.2.2 Data Audits

The integrity of the data was supported by a data audit process outlined in Section 5.1.3. Here Table 8 was referred to as it summarised all story sections, and the related themes the selection criteria the data sources used. Examples were provided of how this process was implemented (see Appendices 4, 5, & 6). All of the data used in the story followed a similar process of being transposed from their primary source and included to inform the story sections.

Limitations identified included researcher bias in terms of which data was selected and the altering of data from its primary source (a ‘watering-down’). Data analysis was undertaken in this Analysis and Findings chapter acknowledging such limitations and biases with the data. A summary of key themes identified in Appendix 7 will now be further analysed and discussed in this chapter. The case was made that themes and data selection criteria outlined in Table 8: Story Section Data Sources, correlated with the themes referred to in Appendix 7 as well as those introduced in the earlier chapters. Whilst there was a clear ‘audit trail’ to ensure consistency of information correlating to the themes, this assumption is open to challenge. Firstly, the themes were also emergent in and from the story. For example, the story tended to follow a sequence of time and not a always a sequence of the themes introduced in the earlier chapters, as was consistent with the story-telling methodology referred to in Chapter Four and Chapter Five. Second, by ‘looking for’ data according to these themes there was the possibility of only seeing what the researcher wanted to see. For example, the partnership projects were recorded and discussed mainly around the theme of partnerships. The notes, including minutes of meetings with the partner organisations, were categorised as ‘partnership’ when in actuality not all activities that were transcribed would arguably be categorised this way.

Whilst there were such obvious as well as potential limitations on the data, the research themes will now be analysed and discussed with reference to data identified particularly from the story. This involved re-visiting the themes introduced in the earlier chapters and juxtaposing and correlating the data with the emergent themes to arrive at the findings.
6.3 Compact Model Findings

“What is the greatest thing in this world, I tell you; it is people, it is people, it is people.” Maori proverb (The Commonwealth Foundation, September 1999, p. 2)

As outlined in Figure 3 below, the Compact Model identifies a tri-partite relationship between citizens, the state and intermediary organisations. Here the working together of the state and intermediary organisations, through cooperation and competition, was identified as a support mechanism in meeting specific needs of communities.

The working together of intermediary organisations was also seen to lead to co-constructions and supporting association in communities. Further, the working together of citizens and state can enhance connection leading to enhanced participation in communities.

Figure 3: Compact Approach (Commonwealth Foundation, 1999a, p. 81)

From the story previously presented, there was clear evidence that Baycom was an intermediary organisation with a relationship with the government agencies (the state) and citizens (e.g. in its social advocacy role), particularly in the establishment of services (Story, lines 014–022). There was no evidence identified of the function between the citizens and the state other than by way of the case study organisation.
(the intermediary organisation) as it represented citizens in local communities (Story, lines 009-012).

6.3.1 State–Intermediary Organisation Relationships

Baycom was intentional about a having a strategy to work together with the government to achieve its desired goals, particularly regarding additional service opportunities. New projects were discussed that involved the support and influence of the local Federal member (Story, lines 244–246).

Partnerships between intermediary organisations had problems (Story, lines 134–213) and the involvement with a local member of parliament, as well as a government funding department, ensured that Baycom’s interests were met in preference to Council’s when the partnership negotiations were breaking down (Story, lines 161–171).

In another situation a new project that was only 50% filled (Story, lines 279–283), meant that the Board decided to contact a local Federal member to stop an identified holding-up of processing new clients with another government department.

As outlined in the Compact Approach the state - intermediary organisation relationship required co-operation and competition to meet the needs of citizens and communities (Commonwealth Foundation, September 1999a, p. 85). There was clear evidence of these dimensions operating in the case study organisation (Story, lines 132-213). As an intermediary organisation, there was both co-operation and competition apparent when tendering for new projects with an emergence of competition over co-operation. For the case study organisation, the pursuit of service opportunities through partnerships also meant higher risk exposure to threats as well as opportunities.

It is conducive for organisations like Baycom to work co-operatively with government, rather than in competition or in disagreement with them. It was of interest to note that the Australian Government had proposed changes to its regulations on registered charities in 2003 (Australian Taxation Office, 2003) so that
if they provided political lobbying as a key part of their services, they could lose their charitable status. This was another example of the tension created along the ‘co-operation and competition’ continuum which community based organisations such as Baycom were exposed to.

The ‘market economy’ strategy of cooperation and competition was not a path without problems for Baycom. However, having had unsuccessful experiences in partnerships meant that its relationship to other service providers had developed it to more in competition and they decided on a path of independence (Story, lines 184-220). This followed the government’s decision to implement a more competitive tendering environment for new community services. The relevance of this dimension may potentially increase in significance, particularly if government policy further supports ‘market economy’ processes such as open tendering and unit costing accountabilities. In such an environment larger organisations with particular economies of scale, may be able to demonstrate lower unit costings and thus be deemed to be more competitive.

### 6.3.2 Citizen–Intermediary Organisation Relationships

Baycom was started with citizen involvement - the organisation was established by the community to meet identified needs in the community (Story, lines 002–013). Individuals approached government and demanded that services were funded. Here a connection was developed between citizens and state where there was also participation in meeting community need. There was evidence that the Board had continued to maintain some association with social justice and citizen representation throughout its history (Story, lines 130-131).

As outlined in the Compact Model, the citizen - intermediary organisation relationship requires co-construction to support associations of citizens in communities (Commonwealth Foundation, 1999a, p. 85). Co-construction was evident since the inception of the organisation as outlined above, which led to increased association opportunities and outcomes for the community. The organisation was registered formally as an ‘Incorporated Association’ and this reference to ‘association’ further supports the intention of the Compact Model.
However, as the organisation had grown, the elements of co-construction and informal association may have been challenged. For example, the power that was evident with the new General Manager (lines 340–342) and the widening rifts between the Board and staff (lines 263–266), were indicative of a lack of unity of purpose. Such a focus of attention was contrary to co-construction with the wider community.

### 6.3.3 Citizen–State Relationships

As previously stated, the organisation was established by the community to meet identified needs in the community (lines 002–013) and in this regard followed a community advocacy role to enable citizens' identified needs to be met. With particular reference to the inception of the organisation, the citizen - state relationship was quite direct. With the development of Baycom in its service delivery and intermediary role, this citizen - state relationship has arguably become less obvious and less direct. An increasing intermediary function, providing a less direct route to government departments, agencies and individuals, would decrease the direct link in the citizen - state relationship. The ongoing connection and participation that this relationship could promote was not able to be traced within the scope of this study. This was due to the point that the primary focus was on the ‘intermediary organisation’ dimension of this approach. However, relative to other community services organisations, where the social advocacy role may be less prevalent, it could be argued that Baycom had maintained a relatively active role in supporting citizens to be heard directly by the state; for example, as was evident with its community development functions that other organisations may not have supported in their service delivery functions (lines 014–018).

In the Compact Approach the citizen - state relationship requires connection to support participation of citizens in communities (Commonwealth Foundation, 1999a, p. 85). The evidence provided through the above data indicated that this dynamic was not operating as strongly as with the state - intermediary organisation and citizen - intermediary organisation relationships.
6.3.4 Summary of Approach

From the case study, there were identifiable interactions supporting the model for state-intermediary organisation relationships as well as citizen-intermediary organisation relations, particularly as the case study organisation was identified as an intermediary organisation. For this same reason there was less evidence of the workings of state-citizen relationships. The elements of co-operation and competition, co-construction and connection were also be correlated with needs, association and participation outlined in Figure 3.

6.4 Change Management Findings

6.4.1 Applied Action Research

David began meeting with the Board and Staff Groups at the end of 2000 (Story, lines 092–093) to establish the Action Research project. Specific requirements of the project using Action Research methodology, as outlined in the Methodology chapter, were evident throughout the project.

For example, in defining the field of action following the general Action Research format of “We intend to do X with a view of improving Y’ (Kemmis & McTaggart, 1988, p. 19) both reference groups were able to develop a clear set of goals to act upon. The Staff Group identified six (Story, lines 098–106) and the Board Group identified eight (lines 109–121). This also included the groups developing their own terms of reference, which for the Staff Group also included rotating the minute-taking (Story, lines 298–300).

David was influential in the ongoing development of both groups and acted as a participant, observer, consultant and facilitator. He undertook a role as a ‘go between’ in providing ‘professional’ input to both groups (Story, lines 127–130).

The methodological approach of planning, acting, observing and reflecting was evident for all participants and this was reviewed on a regular basis. For example, at
the April Staff Group five out of the six goals were reviewed according to this methodological cycle (Story, lines 328–330). Developing Baycom’s growth and change requirements was also seen to benefit from the reference groups using an Action Research methodology of planning, acting, observing and reflecting (Story, lines 217–220).

The change management tool of improvement and the democratic goal of involvement as the basis of a change were evident in practice, consistent with Action Research approaches (Grundy & Kemmis, 1996, p. 325). The achievement of the identified goals for the Staff Group (Story, lines 098–106) and the Board Group (Story, lines 109–121) demonstrated improvements expressed by both groups. Here the group members were involved in agreed upon processes of planning, acting, observing and reflecting for goal development, implementation and evaluation.

Following the ‘moments’ of Action Research identified in the Methodology chapter it was noted that identified action and reflection formed a strategic axis of the Action Research process. Planning and observing, formed an organisational axis. Action as retrospective guidance from planning and reflection as retrospective on observation, were deemed to build and shape a strategic axis. Planning as prospective for action and observation as prospective for reflection were seen to form the organisational axis (Grundy & Kemmis, 1996). In this regard, planning for acting was cited as constructive process. Observing, followed by reflecting was cited as reconstructive process. Such processes were not overtly evident from the data provided in the story. These layers of Action Research could be developed and interrogated further from a follow-up research study.

What was more evident was the element of planning and reflecting as discourse or theory, working with observation and acting as practice in the social context. Here the discussions involving planning and reflecting were noted with the participants of each reference group (Story, lines 233-234; lines 349-353).

The observation and acting level of practice could be identified with the emphasis of some participants, such as the new General Manager and President, in focusing more on practice rather than discourse (Story, lines 252–256), particularly with their
claimed power within the organisation. The staff group had a stronger focus on
democratic processes, but appeared to be ‘stopped in its tracks’ by the new General
Manager, insisting that the group had met its requirements and would not continue
(Story, lines 354–358). The developing discourse amongst the Staff Group had been
stopped. An explanation might relate more to power dynamics in this regard. It can be
argued that the change management strategy of improvement and involvement in this
study was heavily influenced, and arguably compromised, by the power relationships
and dynamics operating, particularly with the new President and General Manager.

6.4.2 Power Relationships

Baycom was founded on people taking power and control in response to
circumstances that impacted upon them in their local community. In the establishment
of services this came from people being angry and taking action (lines 002–004).

There was also an element of power and control related to individuals in the
organisation. This was evident, for example, at Board level with Jennifer and Garry
initially having the most influence, which was possibly related also to the fact that
they were two of the founding members still on the Board (Story, lines 045–047).
Other members, such as Helen, were less sure of growth but more interested in
administrative functions (Story, lines 047–049). Allan, Margaret and Delores had less
power and influence and adopted more of a supportive role to the dominant members
and were possibly recruited for this reason (Story, lines 050–052). There were seven
board members with four of them who formed the original Board with three newer
ones being associates of Jennifer and Garry (Story, lines 040–042).

With regard to legitimate power and authority, Terry, the former worker who had
assumed power, had done so, from the Board’s perspective, without legitimacy (lines
058–060). However, from the worker’s (Terry’s) perspective, this may have occurred
due to delegations of responsibility not being clearly defined by the Board. Following
this situation, the Board did not trust staff. For example with comments such as “This
lot just don’t know how to get organised” (Story, line 382). The Staff Group
experienced some of these concerns even well after the time of the incident with Terry
(Story, lines 125–126). Here there were comments such as “Why don’t they just leave
us alone and stop interfering” (Story, line 381). The division that was occurring between staff and Board in systems implementation (Story, lines 272–273) could well have been related back to this time and incident.

David stated that the minutes of the Staff Group were kept confidential and separate to the Board Group (Story, lines 302-303). This was also to instil confidence and trust in the research process, particularly for the Staff Group (Story, lines 303-306). With regard to partnership opportunities, there was also evidence that organisations such as the Council were trying to exert their influence over a smaller organisation (Story, lines 157–160).

In the changing roles within Baycom, it was noted that the first Chairman was appointed by the Board (with strong influence from Jennifer herself) to the General Manager’s position (Story, lines 247-248). With Helen becoming the new Chairman, this meant that Helen and Jennifer had most of the power and control in the organisation (Story, lines 252-254) - both at staff and Board levels.

This power and control by the Board was sought by the Board not only at a governance level, but also at management level. This led to conflict with the staff (Story, lines 364–367). There were also increased divisions between staff and management occurring towards the end of the study - also related to those who liked the changes and had the most influence and those who didn’t (Story, lines 379-382).

With the Staff Group, Christine and Jane were the most active participants (Story, lines 294–295) in the early meetings. By the April meeting, Jane had emerged as the leader or spokesperson for the Staff Group. This was also due to her interest and support for seeing the opportunity for achieving tasks through this reference group framework (Story, lines 330–333).

In the final Staff Group meeting, change management, systems management and organisational growth were discussed, with Jane, David and Jennifer (the new General Manager in her first Staff Group meeting) being the most active contributors. The other staff members were quiet and less engaged than usual and possibly felt intimidated by Jennifer (Story, lines 353–354). This position was supported by the
fact that after this staff meeting Jennifer advised that the Staff Group would no longer continue to meet. This was framed on the basis that it had achieved what it had set out to achieve (Story, lines 354–356).

It is interesting to note that the staff then complained about the General Manager enough so that it led to her departure. With such staff influence they had now gained significant power and control to the point that, with the appointment of the new General Manager, this time it was done from the staff ranks (Story, lines 359–362).

As outlined in the methodology section, Grundy and Kemmis (1996, p. 31) have identified that one of the significant attributes of change using Action Research methodology is the shift in power that occurs with the participants. Where there has been effective collaboration, attempts to revert to pre-project practices can meet considerable resistance from other participants. But also what became evident from this study were the power relationships and struggles that occurred, particularly with individuals not assuming power legitimately. Such struggles may have compromised the integrity and efficacy of the Action Research methodology even though they were recognised as key influences in the outcomes and processes achieved in both reference groups and in the partnership opportunities that were described.

6.4.3 Ordinary and Extraordinary Management Practices

As outlined in Chapter One, a relevant framework for the analysis of change for this research project followed Stacey’s (1996) reference to ordinary and extraordinary management practices and requirements. Here the framework of ordinary management was associated with rational approaches operating in a closed or contained situation where shared mental models are not challenged or questioned (Stacey, 1996, p. 71). Extraordinary management approaches involved questioning and shattering paradigms. Here, where there was so much that was unknown in developing new paradigms, rational analysis and argument were not so important, whereas influences such as tension and contradiction were operating. Changing paradigms required champions of persuasion and conversion which follow revolutionary rather than evolutionary processes. This was more intuitive and political and followed group learning modes of decision-making and self-organising forms of
control in open-ended change situations (Stacey, 1996, p. 72). In this regard it aligned very closely with the aims of Action Research. Extraordinary management practices also aligned more with changing strategic direction and innovation.

Both from the positions identified in the internal and external environments, the organisation was required to operate services in a more business-like manner, particularly following ordinary management practices (Story, lines 023–025). However, Baycom was also facing new growth opportunities and covering new ground (Story, lines 030–031), potentially requiring extraordinary management practices. Both groups (B.G. and S.G.) had similar goals aligning to growth opportunities (Story, lines 122-123).

Helen was focused on ordinary management practices (Story, lines 047–049) and with the change of Helen becoming the new President after Jennifer was offered the General Manager’s role, a strong systems management approach became increasingly evident (Story, lines 254–255, 260).

The Staff Group had supported a position of the General Manager (Story, lines 314-317) but the Board Group had not completely (in practice) let go of the management reigns - instead of focusing more on its governance responsibilities. This led to tension and conflict with staff (Story, lines 272-273, 379-382). Here a new paradigm was required, and it could be argued that the Staff Group had a small scale revolution in response to the lack of trust, over-emphasis on ordinary management practices, and the fact that power that was not being shared in a more ‘open-ended’ change environment where new approaches and strategies were required. As the organisation was growing and facing new challenges and changes, the ordinary management practices that were preferred by some were in conflict with moving into unknown realms of change, where the extraordinary management paradigm was required.

6.4.4 Partnerships

Baycom was a small organisation that had experienced significant growth (Story, lines 014–034). Following the need to expand in regional areas, Baycom sought partnership opportunities (Story, lines 138–141) but the partnerships attempted with
other organisations had not achieved the desired result to expand services in the region (Story, lines 134–213).

Disagreements with staffing models and who was to receive capital funding, were some of the contributing factors in the partnership opportunity with Council becoming unsuccessful (Story, lines 150–160). Following such experiences, Baycom had lost confidence in developing partnerships, particularly with large organisations like Council. However, it saw the need to expand further, and partnerships appeared to be the most obvious solution (Story, lines 172-174). Thus, in the second partnership opportunity Baycom was again attempting to expand its services (Story, lines 185-189). This was once more unsuccessful due to the partner organisation not completing the application to a similar standard to that of Baycom (Story, lines 199–203).

Whilst these partnerships were unsuccessful in many ways, the learning that resulted for the organisation can be seen as constructive and of some value. For example, with Baycom deciding to ‘go it alone’ and focus more on informal partnerships (Story, lines 211–213), they were now demonstrating a need to focus on elements such as internal capacity building and developing strategic partnerships more with government agencies and departments. The organisation also had to consider itself as a provider of services outside its traditional local area which was a tremendous challenge for a small organisation with a limited operating budget.

6.5 The Developing Organisation

6.5.1 External Environment

In the second and third chapters, it was identified that community services organisations in Australia had been generally undergoing considerable change in the period from 1990 to 2002. This included areas such as regulatory requirements, accountabilities, financial viability, increasing expectations of clients and consumer involvement, and an increasing demand for services within narrowly defined resource parameters. In short, there was a heightened expectation from government funding providers and consumers to operate in a more ‘business-like’ fashion. It was evident,
in the case study, that Baycom had faced increased prospects to manage as a business (Story, lines 023–025). The demand for change, in areas such as operations, may have required Baycom to change and develop in new ways using more extraordinary than ordinary management practices.

The operating environment was also changing in accordance with an increasing demand for services, particularly aged care services. It was noted that Baycom was responding to meet such a demographic need, which also included increased opportunities to grow and develop (Story, lines 030-031). In aged care there was a particular need to grow capacity for services in the community. This was largely based on consumers choosing this option in preference to a residential aged care facility, as well as this being a cheaper option for governments. However, what may have appeared as opportunities here for larger organisations could have been perceived as more threatening for smaller ones. Baycom clearly saw such opportunities as ‘mixed blessings’ as was evident from the various perceptions of the Board on growth and change (Story, lines 222-237).

David, the researcher, also came from outside the organisation. He was concerned with government reforms not always being in the best interests of community-based organisations such as Baycom (lines 079–082) and this was clearly on his agenda. His interest also directly influenced what was discussed, and how the events during the research transpired.

On a local level, Baycom was also concerned that it was not highly visible in its local community and embarked on a profile-raising strategy to increase community awareness of the organisation and the services it provided. By August there were reports of increasing awareness in the community in regard to Baycom’s services (Story, lines 257-267). This included the publicly reported accolades that flowed to Baycom with the opening of the Leisure Centre (lines 262–266).

The organisation was clearly influenced by ‘outside’ forces. As it developed means such as increased infrastructure in response to external influences, it also gained in confidence so that the organisation was also able to influence the wider environment it was operating in, often to the organisation’s advantage.
6.5.2 Internal Environment and Organisational Capacity Building

Facing challenges from the internal as well as the external environment, the question was also raised regarding the organisation’s capacity, willingness and desire to grow and develop (Story, lines 030–034).

The organisation, being so small, was exposing itself to risks associated with its capacity to grow. These concerns included a lack of unity or purpose, resistance to change, not having the required infrastructure, and the politics among members overshadowing strategic opportunities. A lack of unity of purpose was also evident in the need for effective communication between staff and the Board. This was a common theme for both groups (Story, lines 123-125).

Facing such challenges, which included internal turmoil, the organisation largely overcame them. In Baycom’s favour, it also had a history of successful submission writing (Story, lines 043–044) when considering new services. The organisation was also facing an opportunity for a consultant David to support the organisation, drawing upon his significant community organisation background (Story, lines 070–075). The Board took the opportunity to use David as a ‘consultant’ free of charge (Story, lines 087–089). Baycom was also geared up with a number of staff. At the end of 2000 there were six staff members in co-ordination roles. Both reference groups also had similar goals and saw it as a priority to focus on infrastructure development to meet current and future growth needs (Story, lines 122-123).

There was also some level of detail planned for in the reference groups. For example, the need for sub-committees was identified to meet infrastructure goals, as well as develop more effective lines of communication between Board and staff (Story, lines 310-312). The Staff Group also identified, in their third meeting, a range of infrastructure requirements ranging from more space by way of a new building, to the supply of a Dictaphone (Story, lines 318-324). The Staff Group again indicated in their April meeting that staff training and development had a supporting function for all other goals, with a ‘getting it right first’ approach (Story, lines 333-335). Training
and development also emerged as the strongest issue in the June and July meetings (Story, lines 343-348).

The organisation had decided to go it alone with funding applications due to having been unsuccessful with two previous ones as well as finding that there would have been more success in ‘going it alone’ (Story, lines 211-213). This was further evidence of the organisation's willingness to develop its own capacity to grow and further position itself from its own base.

After being burnt by the unsuccessful partnerships, Jennifer and Garry were still interested in pursuing partnership opportunities as a means of achieving growth (Story, lines 222–224). Other members such as Helen (Story, lines 224–227) were also interested in growth, particularly as it allowed for greater administrative efficiencies. Shirley was still anti-growth (Story, lines 227–229), with the other members losing interest and becoming less involved in the decision-making process (Story, lines 229–234). With such a diverse range of opinions, the dominant voices of Jennifer and Garry ensured that their position of further growth held influence and swayed the decision of the other members. If the dominant members had held a different view, such as that of anti-growth, a very different outcome and story might have emerged.

The organisation did not see itself in any position to fund any debt associated with further growth and development, including a newly created General Manager’s position (Story, lines 234–241). A skill set was developed for the General Manager’s position with a particular emphasis on strong people-management skills (Story, lines 242–244). This was at least in part due to problems associated with a lack of trust in the past (e.g. Story, lines 066–068). The staff had also identified the General Manager’s position as a high infrastructure priority (lines 339-341).

Outside of the staff and reference group meetings, David was involved also in supporting a range of infrastructure projects (Story, lines 366-372). Overall there had been a range of inputs in planning, acting, observing and reflecting for the required infrastructure for the organisation. In the final Board Group there was consensus that
The processes and outcomes developed had assisted the organisation in meeting the challenges and opportunities it had been facing (Story, lines 24–289).

The internal dynamics in areas such as power relationships clearly influenced the goals, processes and outcomes related to the internal environment. Whilst increased infrastructure, such as policies and procedures, provided more of a professional framework in which to operate, the internal environment was largely influenced by personal processes and influences, especially at the Board/committee level.

### 6.5.3 Policy Governance

In terms of the Board structure, there was a history at Baycom of there being six to eight board members (Story, lines 037–038) with four of the founding members continuing to remain on the Board since its beginning (Story, lines 038–040).

There were emerging issues for the Board in not providing clear enough delegations of authority in policy for the ‘person in charge’. This was evident with the problems associated with delegations of authority and ‘assumed’ authority and power in the situation with Terry (Story, lines 060-066). There was also the problem of not having an official ‘person in charge’ at a staff level. The Board had come to the realization that it had to focus more on governance issues and less on management issues and this could be achieved by handing over ‘management’ responsibilities to a General Manager (Story, lines 235-237).

In the third Staff Group Meeting, there was recognition of increasing accountabilities and quality requirements, particularly coming from the government that more policies, procedures and related systems were required (Story, lines 324-327). Operational policies were needed along with clarity of governance and management functions. The development of additional polices and procedures at the operational level were favourably received by staff (Story, lines 267-270). However, staff had also commented that they now had extra administration duties, requiring more time, and additional resources were needed to be re-allocated from ‘face-to-face’ program or activities time (Story, lines 270-272). The additional polices had also brought
increased procedural control in the organisation, particularly from the President who was involved directly in the development of operational policies and procedures.

In what may have been a response to a feeling of losing control of the systems applied in practice, staff members also expressed an interest in attending Board meetings for issues that concerned their area of responsibility (Story, lines 313-314). Policy, procedure and systems remained an ongoing priority for the staff. For example, in the May Staff Group Meeting policy issues and safety requirements were discussed as the main priority, particularly for children’s services (Story, lines 341-343).

There was evidence that policies were developed for the General Manager to achieve organisational ends as determined by the Board, and consistent with this approach the CEO (General Manager) in this case was free in the achievement of the means to these ends (Carver & Carver, 2000). The policy governance approach outlined by Carver required significant change (a revolution) in boardroom behaviour (Carver & Carver, 2000). However, Baycom had more of an intention towards this goal rather than a systematic plan. The researcher was the main influence in directing the organisation to follow this policy governance approach (Story, lines 070-082).

As noted in Section 2.5.2 of this study, there were a number of observations that were made regarding the Policy Governance’s application to community-based organisations. The first related to the critical role it assigned to the CEO. There was clear evidence that the power and trust given to the CEO could ‘turn sour’, and it did. It was essential here that the Board or Committee to be able to manage the risks associated with fiduciary Board duties but also manage the risks of qualities such as over-zealousness with individuals gaining perceived legitimate (but also illegitimate) power and control in the organisation.

The second observation was that the model equated CEO performance with organisational performance. Where the CEO was underperforming, this could have implications for the performance of the whole organisation. For example, the staff reported dissatisfaction with the CEO (lines 359-362) and there was division occurring between the staff and General Manager on systems implementation (Story,
lines 270-273). This problem may have also been attributed to the General Manager’s assumption of power, as well as personal management style.

A third observation was the requirement to have developed a significant range of policies that include delegations which might be beyond most management committees. Baycom had developed a policy framework that appeared to extend the operational areas but still required significant refinement in providing clear guidelines for the General Manager’s delegations, power and control (Story, lines 267-272, 308-310).

A fourth observation was that smaller organisations might not have the time and resources to implement such a program. Baycom, for example, in its growth from a small to medium sized organisation, demonstrated increased capacity but also a need for a policy governance framework (Story, lines 014-028). However, it still struggled in heading down this path in any significant way.

Further observations included reference to organisational age and organisational trauma. Baycom had been in existence for approximately 10 years when this model was considered (Story, lines 014-015) and it can be argued that it developed as much out of necessity as by design. This included reference to the point that it had previously been ‘traumatised’ by situations like that with Terry, where a lack of clarity of authority coupled with a strong distrust of staff had left the organisation ‘feeling burnt’ by such experiences. The imposition of many systems by the President and General Manager ‘on the staff” also may not have aligned with an organisational culture of inclusiveness.

6.6 Summary of Sectional Findings

What has been presented in this chapter is a summary of issues related to story-telling analysis and the analysis of data in general. Findings were presented in sections representing the areas of the Compact Model, change management and the developing organisation.
With the Compact Model there was evidence cited of strong relationships at the state-intermediary and citizen-intermediary organisation interface, with less indication of the citizen-state interface. This was largely due to the case study being an organisation and not civil society where the citizens themselves were identified in the research as a cohort. A number of partnership opportunities were referred to, with the organisation not achieving increased services as a result. However, the pursuit of relatively unsuccessful partnerships was a catalyst for the organisation to resolve to continue the growth, but more from the position of ‘doing it alone’.

Regarding change management, Action Research processes were identified as supporting change in the organisation. Elements of power and control, particularly from the most influential in the Board Group, appeared to have had determined what was and wasn’t officially allowed to change in the organisation. Ironically those who followed this path lost their power and control and a staff member in the Staff Group ended up taking over as the new General Manager. Examples of ordinary as well as extraordinary management practices were noted. This included reference to ordinary management practices that hindered change as well as extraordinary management practices that assisted in making rapid and effective change, as well as situations where extraordinary management practices were intertwined with personal positions.

It was established that the organisation had quickly progressed from a small to medium sized organisation over a two-year period and needed to make commensurate changes to infrastructure which included the employment of a General Manager and the development and implementation of associated policies and systems. Following elements of a policy governance approach, there was an intention to develop guidelines for the General Manager and the Board, to separate out management from governance. However, in practice, there were particular Board members who still wanted to manage the organisation and a senior manager who still wanted to govern.

Story-telling as a case study methodology was used to collate data as a part of a data mapping process, so that the data were then able to be interrogated in the analysis. There was an identified scope of how and where this methodology was applied, which included some acknowledgement of its limitations. This new methodological device enabled a wide range and amount of data to be correlated with the key research
themes. The implications of these findings will be further developed in the following Discussion, Summary and Recommendations chapter.
CHAPTER 7

DISCUSSION, SUMMARY AND RECOMMENDATIONS

7.1 Summary of Chapter and Research Findings

In the final chapter is summarised: the research approaches, including their limitations; the major findings; and, the implications for community services policy and further research. Story-telling, in the way that it was developed to meet the methodological problematic outlined in Chapter Four, is discussed as a unique approach to case study method. The development of such a device could make a new contribution to the analysis of data utilised in Action Research case studies. The major findings are discussed in accordance with the key research topics introduced in earlier chapters. This includes critical analysis of: the Compact Approach; partnerships; change management; community services capacity-building and governance; and, organisational learning.

The following is a summary of the key research findings of this study discussed in this chapter:

1. There was evidence in the case study of the Compact Approach operating where the state, intermediary organisations and civil society were all active players in the development of civil society. The research followed the position of an intermediary organisation with a particular perspective on the market and co-construction with citizens. Positions starting from civil society and state (government) require further exploratory research.

2. In a market environment where competition as well as co-operation were promoted, partnership opportunities for community services organisations such as BBCRI, can be overshadowed by competition at the expense of co-operation. This has implications for government policy when following business models for community services organisations, where co-operation and networking are vital to the fabric of civil society organisations.
3. The main partners for the case study organisation were the three levels of government (local, State and Federal). Key indicators for partnership models need to include civil society referents and not just business and contractual outcomes. Partnership models such as the Compact Approach require further implementation at both policy and practice levels.

4. Effective governance for community services organisations involves meeting statutory requirements similar to businesses as well as government contractual obligations and the vision, mission and values of each organisation. A simplification of governance requirements from government would support community services organisations in meeting these complex and extensive obligations.

5. Carver’s policy governance model can be successfully implemented by a community services organisation but this requires time and a level of commitment from the board and senior staff. It was also recognised that not all governance responsibilities were supported by this model, particularly those peculiar to civil society organisations.

6. The capacity for organisations to be involved in successful partnerships may be contingent upon critical factors such as levels of infrastructure, governance skills, available resources and the level of development or sophistication that enables an organisation to be associative with external stakeholders.

7. Action Research was found to be an effective change management tool where the researcher acted as a participant-observer incorporating a consultant’s role. This methodology was coupled with Stacey’s ordinary and extraordinary management framework to chart, analyse and discuss organisational change. This was an effective analytical approach that still requires further exploration.
8. The emergence of a new case study method device where story-telling was used to collate and represent data from multiple sources so that it could then later be interrogated in the analysis section of the research.

7.2 Implications for Compact Model and Community Services Partnership

A targeted vision for the new Compact Approach was to develop and strengthen a new connection between citizens and state (Commonwealth Foundation, 1999a, p. 85). However, state - intermediary and citizen - intermediary relationships were also identified in the research as having a critical role to play following such a framework, particularly in enhancing citizen - state relationships.

A further intention in the Compact Approach was to create and nurture an enabling environment for effective citizen action (Commonwealth Foundation, September 1999a, p. 86). The opportunity for intermediary organisations to provide a citizen advocacy function was evident with the case study organisation where this was identified as a major object or purpose of the organisation. Intermediary organisations, such as community services organisations, can promote active citizenship, encourage citizen leadership, and to build linkages (Commonwealth Foundation, 1999a, pp. 89–90). In this regard they have provided a vital function in supporting civil society in both representing and providing services to meet citizen’s needs. However, within intermediary organisations there are still power relationships that exist, common to any human endeavour, which needed to be understood also from an organisational framework. Here elements of management theory have been applied later in this chapter to inform a greater understanding of the complexities involved with such processes.

It was a stated intention in the Compact Approach to strengthen the devolution of power and increase resources to local bodies (The Commonwealth Foundation, 1999a, p.86). However, it was also necessary to be cognizant of the implications of power relationships at local organisational levels, as they had the potential to both enhance as well as hinder the effective implementation of the Compact Approach.
There was also a concern about the future role of civil society and related community services organisations. This was raised as a particular concern if there continued to be an expectation from governments that such organisations would increasingly need to meet the demands for greater organisational efficiencies through ‘drivers’ such as outcomes-based contract agreements. Here the focus followed more of a business model paradigm, as was outlined in the previous chapters. An example was with the need for volunteers to deliver services. If it became increasingly harder to retain and recruit volunteers due to more stringent regulatory requirements, this may pose a serious threat to the functioning of civil society in countries such as Australia. Even by applying a business practice of using a ‘cost-benefit’ analysis, the cost of such stringent requirements may be more than the perceived benefit of managing risks associated with volunteer behaviour. In evaluating such costs and benefits to the sector, governments may need to re-frame their policies in accordance with such practical concerns.

There was also the issue of volunteers (who represent civil society) being involved in governance positions such as management committees and boards. It has been argued in previous chapters that these positions require particular skill sets in order that legislated governance responsibilities can be met. In this regard ‘business’ models and practices can provide demonstrable advantages as it can be argued that all incorporated organisations (for-profit and not-for-profit), are required to operate as effective and efficient businesses. The use of a policy governance framework has been applied in this research study as one such example (Carver, 1997). Here the point was made that in order that civil society can maximise its potential following the Compact Approach, particularly with intermediary organisations, key accountabilities such as skill sets for board members and job descriptions for volunteers are required. Strategic and business planning models are areas that civil society organisations may have much to learn from the ‘business world’ and management theory. However, there are also social responsibilities where it is not productive to model on the business paradigm only. As Lyons (1996) has identified the charter of community based organisations, to meet community need involving the community, is a key point of differentiation that has applied to not-for-profit organisations operating out of a civil society tradition.
The Compact Approach has been developed on the basis that the basic needs of poor people need to be met (Commonwealth Foundation, 1999a, p. 2). However, the principles of this model can be applied to all countries where civil society has a voice. This relates particularly to the requisite for good government but also good governance, involving projects between elected governments, their citizens and organisations (The Commonwealth Foundation, 1999a, p. 4). Here effective partnerships are critical between the state, civil society and organisations, including those from the for-profit as well as the not-for-profit sectors. For this to be implemented on a policy level, there also needs to be a sharing of policy development and implementation between the state and civil society. Whilst community organisations can be deemed to provide services for the citizens and in response to cooperation, a consensus on policy direction may be difficult to achieve if there are conflicting positions and perceptions within such a framework. For example, in this research it was demonstrated that the relationship between the state and intermediary organisations was seen to promote co-operation as well as competition (see Figure 3). This can lead to market conditions where competition over-rides the co-operation that civil society may require in order to flourish.

It was evident in this research project’s case study that working with other organisations was fraught with such difficulties. In this regard one could question the motives of these organisations. For example, how much were they influenced by market-driven interests where competition overshadowed co-operation. The co-construction between citizens and intermediary organisations will also be effected if market influences dominate in such a way. This would impact upon association opportunities following this model (see Figure 3). Such overt and covert paradoxes were indeed evident in this research study. However, tensions such as these may also provide the opportunity for change for community services organisations, as became manifest in this study. Here, following a learning organisation approach, reflexive processes were able to inform the change process for the case study organisation.
7.2.1 Commonwealth Foundation Action Plan

The Compact Approach was also intended to be implemented by civil society organisations (including community services organisations) in accordance with a Commonwealth Foundation action plan as follows.

It is the responsibility of all civil society organisations to:

- affirm the centrality of citizens’ actions in creating a good society and to educate people in issues relating to active citizenship;
- play a central role in making citizens aware of their rights and responsibilities and prepare citizens to exercise those rights and undertake those responsibilities;
- build community leadership through facilitating access to information, training and technical assistance;
- play essential roles in promoting a strong, capable and responsive civil society able to work in partnership with an active and responsible state;
- develop effective means of accounting to their constituencies.

(The Commonwealth Foundation, 1999b, p. 7)

The case study organisation has demonstrated, in its social advocacy role, to some degree all of the above action plan targets. However, in its service delivery function, it was established that the above goals were achieved to a lesser frequency. This can at least partly be explained as, as a service provider, the organisation faced pressures to operate following more ‘business-like’ practices, particularly in response to the accountabilities from government as was outlined in the previous chapters as well as from the interests of particular individuals as was referred to in the story section.

It was interesting to note that both of the organisations that BBCRI attempted to partner with came under the auspices of a government, one local and the other State. How much local and State Government work in relation to civil society is subject area requiring further analysis and research? For example, using the Compact framework (see Figure 3), the question can be raised whether local government or a State department meet more of the definition of “state” or an “intermediary organisation”. For such organisations and public entities, what were the mandate and actual accountabilities to meeting civil society responsibilities? For example, the local council in one of the areas where BBCRI operated had made the decision not to provide any direct community services itself but rather had chosen to support
community service organisations such as BBCRI as part of its social mandate (Shoalhaven City Council, 2005). It had effectively decided not to be an intermediary organisation. Here a support function for civil society was identified and it operated more following a ‘state’ definition following the Compact Approach. However this may not be typical of other local councils and would be an interesting area for further research and analysis.

As has been previously identified, community services in Australia were largely developed, particularly in the early stages, with the involvement of volunteers (social capital) and have faced significant change and challenges related to maintaining their social capital base. It has been identified that community services organisations, such as the case study organisation, will continue to face ongoing change where there is a stark and emerging contrast between non-profit approaches and those that are able to support community participation such as with the building of social capital (Lyons, 1996).

7.2.2 National and International Partnerships

Goddard (2005) has undertaken a broad-based literature review in Australia and internationally on partnerships involving third sector organisations (TSOs). Her findings identified an on-going debate about whether partnerships between government and the third sector are rhetoric or reality. This included partnerships being developed within existing structures, processes and frameworks of power where it was characterised as being ‘new rhetoric being poured into old bottles’. In contrast, there was also the argument identified that there was a rapid realignment of social policy and funding arrangements for human services that had not constituted such ‘empty rhetoric’.

This review found that in comparison to other OECD countries like the United Kingdom and North America, there was evidence to indicate that Australian partnerships were very much in their infancy and that much of the debate about partnerships was based upon international literature (Goddard, 2005, p. 2). It is interesting to note with reference to the current paper that this literature review was undertaken on partnerships, which would include the Compact Approach, three to
four years prior to Goddard’s study. It appeared that in the interim period no significant new research had emerged in this area. Johnson, Headey and Jensen (2003, p.55) also cited U.K. examples of central government (as represented by organisations such as regional development authorities) developing partnerships between the public sector, the voluntary sector, and the private sector (the three-thirds model) in particular localities.

However, Geddes (cited in Goddard, 2005, p.8) has described the relationships of actors between state, market and civil society in terms of a shift from government to governance where the state was moving more responsibility to non-government organisations by not providing the services themselves but by ‘governing’ them through service agreements. What was identified here, as has also been outlined in this research, was that the government moving more to a governance role, was shifting from providing services to contracting-out services. This has meant that organisations like BBCRI have needed to develop additional governance processes to meet the contractual requirements of government. In such an environment it can be challenging for community services organisations not to compromise their original charter, particularly in terms of their relationship and responsibilities to civil society, and not to only focus energies and resources on meeting the compliance and service standard requirements of governments. Again what Lyons (1996) has deemed a fundamental difference between non-profit and a civil society approach was most relevant in gaining a perspective regarding these changes being undertaken in the community service sector in Australia. The civil society path does mean that organisations operating out of this paradigm do need to maintain their civil society focus; otherwise they will function more as a non-profit organisation.

Goddard (2005, p. 9) also found in her research that that the term ‘partnership’ has an inconsistent and variable use, particularly in Australia. Goddard (2005, p. 10), following a review of international literature, has constructed a working definition of partnership which has included the five key characteristics of: shared aims, trust, reciprocity, equity, and shared funding. In using such a framework with reference to the partnership projects identified in this research, the following summary can be made related to these typologies: the shared aims were related to having joint projects with the purpose of more growth opportunities for individual organisational benefit;
trust appeared to be lost in both partnership arrangements; it was more a lack of reciprocity evident that led to a lack of trust; equity was a concern particularly with the power relationships and dynamics that were operating; and shared funding was interesting particularly when there was strong disagreement regarding funding allocations between partner organisations (see Story, lines 172–183). Applying these typologies does suggest that the partnership projects in this research study were far from successful.

Goodard (2005, p. 12) also cited a model proposed by Stoker that was recommended as most appropriate for the Australian context where three types of partnership were identified: principal-agent relations, inter-organisational negotiation and systemic coordination. Principal-agent partnerships were seen to involve purchaser-provider relationships, which may include contracts where competitive tendering can be measured in terms of ‘best value’. Inter-organisational negotiations were described as involving bargaining and coordination between parties through processes involving a blending of capacities. The final area, systemic coordination, was seen to be characterised by a degree of embeddedness of mutual understanding that involved organisations developing a shared vision and collaboration leading to the establishment of self-governing networks.

Following these particular typologies, it was identified from this research study that principal-agent relations were most evident in the purchaser-provider arrangements between government and services providers. Regarding inter-organisational negotiations, the partnership projects as discussed above were examples of this dynamic. With systemic co-ordination this is where the Compact Approach had the greatest potential to be implemented. Particularly with the co-construction and association between citizens and intermediary organisations (see Figure 3) a mutual understanding and shared vision supporting collaboration can be identified as being fundamental to the enhancement of civil society. The Compact Approach framework was arguably an example of systemic co-ordination if it can be applied on a basis where all key actors can become involved on a systems-wide basis. In other words, in areas such as service delivery and policy; state, intermediary organisations and civil society all need to be actively involved.
The situation where the government was in control of funding and associated accountabilities with community organisations challenges a notion of equal partner when such power relationships are in the favour of the government. Goddard (2005, p. 15) cited that still the most prevalent partnerships are principal–agent partnerships in Australia due to the contractual arrangements that do apply in these arrangements. Goddard also identified some evidence of increasing inter-organisational partnerships, with least examples of systemic co-ordination. Again this would support the position that there were very few partnerships involving civil society operating in Australia that were not operating on a systems-wide basis of contractual arrangements with government and the occasional inter-organisational partnership. The Compact Approach, as a partnership framework, arguably needs to be implemented in the wider Australian context so that there may be alternatives to the dominant partnership paradigms outlined above. Additional research, including Action Research, could support the further implementation of such a partnership framework in practice.

Goddard’s (2005, p. 15) summary of partnership literature also provides further evidence of the support required for civil society organisations. This included: increased recognition of the third sector’s contribution to society; the difficulties governments have experienced in keeping pace with growing social problems; indications that partnership with sectors with organisations such as TSOs may be effective ‘tools for change’; and, other evidence that the market model in human service delivery may have had the effect of fragmenting services. Arguably the most successful example of a model that was closest to the Compact Approach was operating was in the United Kingdom (Barraket, 2006, p.8). Here there were constituted agreements which included stipulations that government would fund the full cost of services delivered by the voluntary and community sector, although there appeared to be evidence that this had not occurred in practice. There were also additional limitations that have been noted, including: lengthy and complex contractual documents; poor practice by both government and voluntary sector agencies; and, a need for improved mechanisms to highlight good practice and to penalise non-compliance.
7.2.3 Formalised Compact Agreements

Even with such shortcomings, it can be argued that there is a strong case for the Australian Government to also enter into a formalised Compact agreement with not just service providers but with civil society itself. Stewart (2006, p. 3) made a case that partner organisations were significant actors in the collective governance arrangements with government, in that they don’t just implement policy, they can also make it. Stewart argued that there was limited scope for partnership arrangements with the Australian Government and third sector organisations (TSOs). The claim was also made that the informational dimension of network theory could be used as a framework for protocols and compacts between government and the community sector. Essentially what Stewart described was an information gap between government and TSOs which also included poor information flows regarding contracting arrangements. The evidence from this research supported this position.

Stewart (2006, p. 11) also claimed that we do not have any effective models of governance-related consultation that provide for consultation and the gathering of information to enhance partnerships through more strategic networking in Australia. What was argued was that a revolution was required, particularly regarding the willingness of government and to some extent civil society to share power and re-think models of accountability. Here the idea of ‘networked governance’ can be identified as a strategy that could help define and support information flows that could be characterised in terms of inter-organisationally-derived forms of authority where consultation can be re-conceptualised as part of governance. Stacey’s extraordinary management practices could also be integrated within the framework of such proposed reforms. The Compact Approach, with its focus on empowering civil society, also supports the development of networked governance particularly where partnerships can be developed.

Empowerment also relates to sharing knowledge within the community services sector. If information is power, then the argument here is that some of the information as well as the power needed to be shared between the government and civil society organisations. As has been demonstrated, the Australian Government has prioritised partnership arrangements with economic benefits as the primary purpose. The benefits
of more systemic partnership paradigms have to be demonstrated to government, but the driver of this agenda may need to be civil society itself. The Compact Approach has been identified as one such ‘tool for change’.

7.3 Change Management

Action Research can also be used as a change management tool. Fundamental to Lewin’s work, as mentioned in the Methodology chapter, was the idea of studying things through changing them and seeing the effects (Marrow, 1969, p. 235). This was also relevant in Lewin’s three-step process of unfreezing, moving and freezing at a new level. The planned attainment of freezing at a new level also required effective planning for there to be some degree of confidence in the permanency of change, even in the short-term (Foster, 1972). These foundations of Action Research were applied as a change management tool in this study.

It was noted in this research that there were key players in the case study organisation who were for and against change. Those who had the most power also assumed the position of having the most influence in what was and wasn’t going to change in the organisation (see Story, lines 350-358). If there had been a different balance of power with those who had the most influence in change, then there might well have also been an alternative range of stories told about changes that occurred at BBCRI.

Stacey’s frameworks of ordinary and extraordinary management practices were also effective tools for identifying change practices (or lack of them). The path that some individuals took when faced with significant change (for example, where extraordinary management practices were required), were different for different individuals. Some followed a course of staying with more familiar ordinary management practices (see Story lines 254–256), whilst others flourished with the challenge of change and stepping into territory that was less known (see Story, lines 330-331). However, using these frameworks alone to understand change had particular limitations. For example, they provided a framework or ‘lenses’ through which change could be viewed. They did not provide any methodology that could be used to apply change practices. Also the change observed required an interpretation of
what constituted “ordinary” as well as “extraordinary” management practices. This interpretation was made primarily by the researcher. The research process could also have followed a process where the participants themselves defined what for them constituted ordinary as well as extraordinary management from their own practical experiences in the case study. This could have provided further validation of the claims made by the researcher, or conversely, contradicted them.

Lyons (2001b) has identified that there are positive reforms and changes needed in the third sector but the challenge is to do this without losing its values. Changes to organisational management and operational structures need also to be cognizant of organisational cultures and it is often the cultures themselves that require change in order that the core values can be implemented effectively (Alexander, 2007). For example, in the case study organisation there were pockets of self-seeking behaviour and resistance to change that were arguably inconsistent with the further implementation of the organisation’s stated goals. If change management models were utilised that were insensitive to such positions, this may have further entrenched such resistance. One of the reactions, at least from the staff members, was the reaction to ‘managerialism’. Here there may have also been a failure to acknowledge the legitimate benefits of sound and sensitive management that can support effective professional outcomes which can be a common reaction of community based organisations (Lyons, 2001d). A further example here in the case study was the implementation of additional systems which, from the staff members’ position, meant less time to focus on direct service activities (see Story, lines 267-272). The staff began to react to this as an imposition rather than a benefit, which from an administrative perspective was the perception.

Levels of involvement were also critical indictors of effective change. Stewart (2006, p. 11) has cited evidence that there was also internationally a lack of vertical integration in community services organisations that promotes local level involvement in decision-making (especially at a strategic level), as well as good governance practices that also supported horizontal integration at a local level. For participants in the case study there were limits placed on involvement depending upon which roles and functions were given to each group. For example the board group assumed different levels of power and had different levels of engagement than the staff group,
which could be largely attributed to the perceived differences between staff and management functions by the members of each group. An alternative option to having separate board and staff groups could have been to have mixed groups where they were involved not as a board or staff member. A more democratic approach however, would have detracted from the realism of what needed to be applied in practice. The reality of the presenting situation was that there were separate board and staff groups and the power dynamics were central to study undertaken and the justification used for utilising Action Research methodology.

Participatory Action Research (PAR) can be described as an ongoing cycle of change and improvements rather than finding one-off solutions (Sutherland, Kirk & Clark, 2003, p. 2). Here the aim was to share a power base with all stakeholders, in recognition that stakeholders had the capacity, creativity, and resources to deal with emerging issues and change. As was evident in this case study, the power base and the opportunity to make changes in the organisation did not promote equality in decision-making processes. For example, the new General Manager literally stopped the opportunity for ongoing change for the Staff Group by abolishing their reference group (see Story lines 354-358). It was also interesting to note in this research study that staff and management were involved but that there weren’t any service users to make decisions about change or any other matter. The management committee as well as the staff could have made a case they had assumed some ‘advocacy’ role to act on behalf of service users (as well as other members of the community). As a civil society organisation, a wider representation of community members could be justified for such a research study, and in retrospect this may also have changed some of the power dynamics had more community members been involved. For example, the organisation had as part of its charter to meet community need, involving the local community. It would have been interesting to observe if more community members were part of the research and decision-making process of the organisation, how the personal politics and power relationships might have changed.

It was also identified that change occurred in the organisation often in response to things not working rather than it being conscious or planned. This was consistent with Participatory Action Research (PAR) change management findings (Sutherland, Kirk & Clark, 2003, p. 5). However, with PAR there was also the opportunity to recognise
that change had occurred in participants' mental models and their relationship to change. The researcher had identified some of these practices. However, the participants themselves were arguably less focussed on these dynamics and levels of self-reflection. Over time however, this may have become more evident. A longitudinal follow-up research study could be able to chart some of these reflexive practices and how they were able to impact on change in the organisation.

7.4  Action Research

In acknowledging Action Research as a change management tool, it was also important to recognise the role it can play in civil society, particularly regarding the involvement and empowering of individuals (in this case with those involved with a community-based organisation). As Kemmis and McTaggart (1988, p.5) have outlined, Action Research is a form of research where collective self-reflective enquiry is carried out in social situations so that there can be improvement which involves rationality processes being enhanced. Here a sense of ‘justice’ relating to social or educational practices was central to all that was planned to be undertaken or changed. The value of collective approaches can be identified as a goal or something to work towards. In practice the influence of power and control by particular individuals and groups (often at the expense of others) can erode the path to reach such a goal, as was evident in this research project (particularly for the Staff Group, see Story, lines 291- 362).

It is also worth noting the role of the researcher as a ‘consultant’ and ‘participant–observer’. The researcher had obvious influences over the research project as was outlined in the previous chapter. It was argued that this his role developed out of the particular circumstances of the setting itself and what the researcher brought with him to the research environment. This has strengths as well as weaknesses. Some of the strengths included certain technical expertise related to community service development at Board as well as operational levels, and social skills to assist in meeting the more collective requirements of Action Research methodology. The weaknesses included the obvious bias that the researcher may have had in influencing the research design, processes and outcomes. The role of the researcher has been
acknowledged in this research project. His background and his story as a participant–observer were also noted as a vital facet of the study.

The literature needs to be further informed in this area, particularly regarding additional research identifying opportunities for individuals in ‘consultant’ roles who are also involved in Action Research projects. Here the integrity of the research process could be scrutinised to identify any questionable biases but also to acknowledge and highlight any potential value-adding processes that such individuals might bring with them to an organisational setting. Researchers, who also have had backgrounds in consultancy roles in applied research settings, such as Action Research, need to be able to clearly identify biases but also the advantages, provided from such circumstances. Action Research methodology could be applied in small group settings with ‘internal’ members who were also undertaking the research and would be facing similar biases and opportunities.

As Small and Lynet (2005, p. 938) have identified, an element common to all Action Research is that there is some type of collaboration between researchers and community partners. Certainly such a generalisation covers a wide range of circumstances, including where there is involvement of a consultant-type researcher such as was the case in this particular research project. In support of this position Small and Lynet (2005, p. 938) also made the point that another key principle for Action Research is that it can never be ‘value free’:

Action-oriented research calls for heightened attention to how power and trust shape the relationship between partners (relationality) and how this relationship shapes what is learned and concluded (the findings). The community partners’ perspective is kept at the forefront to ensure that the researcher’s view does not dominate the way knowledge is created and defined.

The researcher struggled with conflict of interest concerns in that he did have certain professional knowledge, skills, experience and values and that the research organisation expected that they be included as part of the research project. It could be argued that the influence that this had on the research setting did not overshadow the findings in relation to the other participants’ opportunities to participate. In practice it appeared as if the Board Group was the most influential and the researcher also had a
role to play to mediate with both groups where there was such dominating behaviour (see RGMCNOTES11, RGSTNOTES09).

Small and Lynet (2005, p. 942) also made a case that different models can be identified as to how the researcher can relate with community partners and which model was most appropriate was dependent upon the goals of the project and individual research requirements. This acknowledges that the researcher as well as the community partner, both have knowledge and skills that could support the success of the project:

Rather than most relationships being egalitarian or with one partner as the expert, the balance of power is likely to shift back and forth between the community and the academic partners as the demands of the research process change, various expertises are needed, and different perspectives are called for. (Small & Lynet, 2005, p. 942)

Acknowledging the diversity of perspectives is central to an Action Research project, particularly as at some stage in the process one has to deal with conflict. Collaborative relationships can be challenged by conflict that can be planned as well as unplanned. Such conflicts may be anticipated and strategies for dealing with them can be agreed upon by the research participants. In this research project it was argued that protocols for dealing with disputes, complaints and conflict could have been included in the reference group’s terms of reference. However, there were also occasions when conflict couldn’t be planned for. As was noted with Stacey’s (1996) ordinary and extraordinary management framework, the opportunity for change can eventuate out of the chaos that conflict can create. In such circumstances conflict arguably does not always need to be managed or ‘smoothed over’, and is not necessarily problematic as strategy can emerge from such environments with such perceived chaos (Stacey, 1993).

7.4.1 Australian Contexts

The role and function of participatory research in countries such as Australia does not only include the scope of community-based organisations. For example, there was evidence that community-based participatory research even in areas such as health can
provide positive outcomes by involving the community in the research process. Here a collaborative research approach can be used to design and establish structures for participation by communities affected by the issue being studied (Agency for Healthcare Research and Quality, 2005). The findings of this research project could also apply to other sectors such as health, as well.

There was also arguably a growing interest in some industries, as well as in Australian Government departments, that social, economic and ecological sustainability may depend on supporting social capital, as well as economic and physical resources (Beilin & Boxelaar, 2001). In this regard there was also an opportunity for participatory research to overcome distinctions between policy making and implementation, and between research and practice, through participatory approaches (Aarts & van Woerkum, in Beilin & Boxelaar, 2001). Here the cogeneration of knowledge and the enhancement of interactive policy development and implementation have proven to be productive (Beilin & Boxelaar, 2001, p. 2). The outcomes of this participatory research study could also be used to influence particularly as they provide a participatory framework where practice would be able to inform theory as well as policy.

7.4.2 Theoretical Positions

Action Research has claimed an aim to work ‘with’ people rather than ‘for’ people also, through its emphasis and focus on developing practical outcomes. Knowledge can be perceived as power. In Action Research the inclusion of multiple views can lead to the possibility of producing knowledge on a more equitable basis, and as such Action Research can be viewed as a process of knowledge creation that empowers participants.

Theory alone may have little power to create change (Gustavsen, 2001, p 17). However, how theory influences Action Research is worthy of further investigation. Theory is constituted within a particular research setting, as has been described and discussed with this case study. In such circumstances the government may adhere to a particular theory when it uses a purchaser/provider approach which arguably has followed economic modelling. Another framework to consider here is with the
relational attributes identified by Aulich (2002) (see Table 1 in Appendix) where it was identified that there were value sets that related to particular partnership models such as: controls applying to public funding; competition relating to contractual arrangements; collaboration being evident in partnerships; and, support and assistance applying to sponsorship grants and subsidies. Such theoretical positions can highlight opportunities as well as challenges that may apply to certain research settings where different partnership arrangements may be evident. Collaboration opportunities will also be influenced by different typologies being applied to organisations in different research settings. Such processes could inform policy where the government as an active partner, is open to integrating multiple perspectives and positions within policy frameworks.

As has been outlined in the previous chapters, Action Research theory was applied in practice through Action Research methodology. In this research project all key stakeholders brought to the setting their own personal as well as collective theoretical positions. It is a task with all Action Research to be able to value such positions and arrive at agreed-upon means to address change. In this regard the process can be just as important as the outcome. For example, a change in a person’s reflective ability can be highly valued as an outcome of the research process.

An increasing interest in participatory approaches also provides the opportunity to challenge government as well as practitioners with their theoretical and policy positions. Here, through investigating and critically analysing a range of theoretical perspectives, social scientists can review, revise and debate prevailing meanings and positions which may provide the opportunity for change. This could involve reframing and reattaching meanings associated with particular events and issues that enable participants to develop interruptions in practice so that reflective analysis may provide the opportunity for change. Such processes and outcomes were evident in this research study and this could inform the wider use of the practices described above.

Czarniawska (1998, p. 30) has argued that the researcher has a task not to arrive at an ‘objective’ or ‘superior’ account related to a particular setting or context, but to ‘make sense’ by identifying and discussing alternative and competitive accounts that can facilitate dialogue within a particular field. In this regard, the researcher’s particular
reading of a context can be a ‘novel’ reading. Here the researcher can enter into a
dialogue with practices and connect local narratives with theory. This can help us also
to be removed from the familiar and taken to the often the unfamiliar. Undertaking
such practices also provides change opportunities. In Action Research these
opportunities may be arguably more available as theory and practice and are also
interchangeable, as has been noted in the previous chapters.

Beilin and Boxlear (2001, p. 7) have argued that participants in Action Research are
part of a ‘lifeworld’ which implicitly represents a theoretical position. The process of
understanding, mapping and reflecting upon such ‘lifeworlds’ can also provide the
opportunity to map out networks, and identify power and decision-making processes.
Critical theory supports the recognition of knowledge being a construct of local and
broader structural relations that can be contested by participants at a local level
through a particular research process. Taking such a position, government policy, for
example, has been challenged in this research project.

The case can also be made (Beilin & Boxlear, 2001) that a critical theorist position
would question two aspects of Action Research in its current form; firstly, with its
perceived position of ‘local knowledge’ and ‘local experience’ over ‘outsider’
knowledge. Here organisations and individuals in them would not be seen to hold all
knowledge. As knowledge can be deliberately shaped and located, particularly at a
local level, Action Research can support the process where local and outsider
knowledge can inform each other. The second concern is that only field-based
research can support worthwhile theory. It can be argued that the cyclical and iterative
nature of Action Research promotes successive cycles or generations of action and
theory, theory and action, and this argument has limited merit if Action Research
really is able to bridge theory and practice.

In this regard Beilin and Boxlear (2001 p. 9) also argued that Action Research
strategies can provide ‘interruptions’ to our practices that facilitate change and
innovation, which means valuing both theory and practice, and the various
‘knowledges’ that are produced through them. The focus in the case study was more
of the insider approach however with the relationship of the researcher, other partner
organisations, as well as government department interactions at a contract as well as a
policy level there was a demonstrated iterative wider context. How much the organisation influenced such a wider circle of stakeholders was not clearly identifiable. There was much reliance on the researcher maintaining a role here to be a ‘sense-maker’ between theory and practice, which also included areas such as organisational and government theory and practice.

7.4.3 Planning, Observing and Action Moments

In terms of the ‘moments’ of Action Research, following Grundy and Kemmis (1996) where action and reflection can be seen to form a strategic axis and planning and observing an organisational axis, there was not strong evidence of these processes via such axes, operating in the case study. The notion of the strategic and operational axes in such a framework could be the subject of further research and analysis, even as a follow-up study with BBCRI, as the strategic and operational may also correlate with Stacey’s ordinary and extraordinary management practices.

Denny (1983, p. 18) has identified that “The story rarely reveals why things operate as they do and almost never results in a trustworthy statement of what one ought to do to change the situation”. It was a task of this research project to use Action Research as the main change-management tool. Story-telling was a means to collate and present data so that change could be mapped and then later analysed. As such story-telling was central to the identification of change-management practices in the case study organisation. The use of story-telling in this manner provides the opportunity for future research projects facing similar methodological issues as was outlined in Chapter Four, to also utilise such a device.

7.4.4 Data Integrity, Trustworthiness and Reliability

The question of the integrity of the data was important. The audit process of taking data, identifying key themes and issues and then formatting this information through story-telling methodology has been questioned. For example, the process of ‘looking for’ rather than ‘looking at’ also provided the opportunity for the researcher to only ‘look for’ what was in the fields of his interests. However, all other data may have become redundant and yet have had validity from a different framework. The data
mapping processes outlined in chapters five and six did provide some audit checking processes. The integrity of the data provided in the story did have validity in that the rigour that was applied to interpretation and analysis meant that the same or similar data could have been sourced by another researcher. How much the researcher influenced this process could only be tested by having another researcher check the data through a sample of data being audited or by also having a number of researchers involved in such a study to validate each others’ data and perceptions. It is clear that the circumstances related to the case study could never be replicated again. The historical contexts alone would never be able to be repeated both for the individual organisation as well as for the community services sector in Australia.

A further issue was that the data came from multiple sources. Minute taking was shared and source documents from the organisation had different authors to the researcher. There could have been more emphasis placed in this study on a wider range of participants sharing the load of recording and sourcing data. In practice, however there was a great expectation that this was part of the agreement with the researcher and the organisation – that he would do carry out many of these tasks. For example, the staff reference group wanted to share the minute taking and arguably saw the opportunity to share such tasks. The board group wanted the researcher to complete such requirements, which may have been explained by them not wanting any further resource and time commitments, such as minute taking.

The recording of the story was also problematic. As mentioned above the method used to identify the themes as well as the selection of the data for the story-telling had definite limitations. The researcher also found that any changes made to the formatting of the lines required an adjustment for the following lines. Subsequent changes to line numbers and indenting the text required a large investment of time. Software that could have format such indentations between the lines and the text would provide the opportunity for this tool to be used more efficiently in future research studies.
7.4.5 Further Issues

As was identified in the Methodology chapter there were a variety of interpretations on what constituted a story and how it needed to be told. Literature on story-telling methodology is scant but is an emerging area that could include an expansion of storytelling method as applied in this research. Literature on case study method could also be further developed in Action Research to provide options, such as what was presented in this study, regarding the use of story-telling in the representation and analysis of data.

What was also identified in this research was the need for more sophisticated story-telling structure. For example the research followed a chronology of events (as previously justified in the Methodology chapter) taken from the source data that were influenced by: Denny’s (2004) setting-solution-explanation approach; Gargiulo’s (2005) ready-fire-aim strategy; TwoTrees (1997, cited in Boje 2001) time, place and mind practices; Walker’s ‘looking for’ rather than ‘looking at’ approach to Action Research; and, the untapped areas of communication identified by Gargiulo (2005). Such an eclectic device was bounded by the practical requirements of the research (Kohler Riessman, 1993). What was established were principles of story-telling applied in practice as a new methodological approach. The device was developed out of the research requirements itself. It was established that no such approach had been identified in the literature (Mitchell & Egudo, 2003). However this approach has arguably lacked systematic standardisation as an approach. Its application was validated by elements of persuasiveness, correspondence, coherence, pragmatic use which as principles could be replicated or re-applied (Kohler Riessman, 1993).

Whether or not story telling methodology used in this research constituted a new mode of research methodology is subject to further analysis and discussion. However what was claimed was that each new social science research setting may require new methodological devices that follow the story-telling methodological principles that were applied in this research study. Czarniawska (1996) has espoused that there is no standardised approach to social scientific method. However a case can be made for the use of existing methods as well as developing new methodological devices. This may be dependent upon the methodological problematics presented in each research
case. For example the researcher in this case study had not intended to develop a new methodological device. This evolved out of the need to collate data for later analysis as previously discussed in the Methodology chapter. Had there been a suitable story-telling methodological approach available in the literature, this may have been chosen.

The story was grounded in the data following a cross-checking mechanism identified in the earlier chapters. The validity of the data being collated in the story following this methodology is open to challenge. The researcher’s summary of the data could only be checked by another researcher. Further research using this device may also involve multiple stories being collated from the same data to substantiate internal validity. However a case can also be made from a qualitative research position that even if there were ‘different’ stories arrived at from different researchers using the same data, that these multiple perspectives could still represent a legitimate research study.

Kohler Riessman (1993) identified that ‘trustworthiness’ rather than ‘truth’ was important in validating case study method such as story-telling. In this research study the cross-checking mechanism provided some degree of trustworthiness for the data represented in the story. Further validity may have involved additional quotations as well as sourcing data from multiple data sources for each event that was summarised in the story. This may have also improved the reliability of the data sourced.

The integrity of the data used in the story may have been improved by the use of direct quotations for data that was cited and not only a summary of chronological events. The researcher chose not to use extensive quotations and rather to summarise primarily to avoid an excessive influence of narrative that could arguably compromise the story-telling methodology. Quotations summarising events could have been used more selectively and extensively using this tool. It was acknowledged that there were significant limitations also discussed in the previous chapters, embedded in the transposing of data in the approach implemented. Given that this was a new methodological tool the researcher does acknowledge that he developed the tool out of the research situation and he was relatively ‘blind’ as the use of this story-telling in this way was unestablished in case study method.
The involvement of the researcher in the story-telling processes may also have constituted story-selling, where the latter involves the manufacturing of truth for the benefit of the person telling (or selling) the story (Lapp & Carr, 2007). Arguably this research had the potential for story-selling in that the researcher had an interest in telling a story that focussed on specific themes. He also had some control over the story that was being told. In any story-telling methodology such influences need to be acknowledged and controlled, particularly through effective methodology and data analysis. For example, the story telling methodology used in this study included data processes where information contained in the primary data was represented in the story. There was an audit process used for cross-checking that all details had been included – particularly for the board and staff reference groups. As such a systematic process was not used for the other sections of the story. These areas were more exposed to the dangers of story-selling.

7.5 Community Services Capacity Building and Governance

A major focus provided in the Compact Approach was with citizens and their governance responsibilities (Commonwealth Foundation, September 1999a, p. 86) which has been related to community service organisations, particularly those connected with civil society, as outlined in the previous chapters.

It was also identified that there will be increasing demands for the provision of community services over the coming decades. For example, with an increasing ageing population the costs associated with residential aged care in Australia will place further demands on providing aged care services in the community in people’s own homes where this is possible (The Myer Foundation, 2002). With the use of volunteers and civil society, there are also opportunities here for community capacity building, to assist communities to also provide support to members of their own communities.

As was outlined in Chapter 1, there were two contrasting approaches emerging in the ‘third sector’ (Lyons, 1996). On the one hand, following a ‘non-profit’ tradition, the value of volunteers (civil society) can be analysed following business management
frameworks such as a cost-benefit analysis, where the case for volunteers can be validated in accordance with their productivity and measurable outputs. On the other hand, using more of a civil society framework, indicators can be used that include the capacity to support community participation and to build stronger communities.

Involving citizens in organisational capacity building and governance responsibilities was also viewed through such a community capacity-building framework in its engagement of civil society members in this research. It is from this framework that the Compact Approach was seen to be operating in the case study organisation. However, with increasing pressure to utilise more ‘business-like’ approaches, a governing body for a civil society organisation may be able to spend less time on dealing with its civil society mandate and may need to focus more time and resources on compliance and business matters. This appears to be a major and ongoing concern for community-based organisations.

The case study organisation was noted as being a registered “Incorporated Association” with a management committee. To apply a division between governance and management responsibilities required a significant change in operations for an organisation such as BBCRI. Moving from a smaller community services organisation to a medium-size organisation also brought economies of scale where, for example, a General Manager’s position could be funded to assist in the transition for the management committee to move more out of the management of the organisation and to focus on governance issues. This is not generally possible for smaller community organisations and they may be required to pool resources with other similar organisations, or outsource some services such as accounting, in order that the management committee can move beyond the ‘day-to-day’ operational or management requirements, to be able to meet many of their wider governance responsibilities.

Such good governance requirements were, however, not just isolated to small and medium-sized community services organisations. Miller and Abraham (2006) have identified a large gap, particularly for Australian organisations, between what is prescribed as good governance and what has been empirically demonstrated as good governance. This was in accordance with what Turnbull (in Miller and Abraham,
2006, p. 3) has defined as: “Corporate governance describes all the influences affecting the institutional processes including those for appointing the controllers and/or regulators, involved in organizing the production and sale of goods and services”. This definition is relevant to all types of organisations, including for-profit and not-for-profit, as well as public and private.

However, there are some fundamental differences in governing a for-profit and a not-for-profit organisation. Third sector organisations (TSOs), for example, can be identified as having missions, values and relationships with key stakeholders that focus their existence to bring about a change in individuals and society. This can be contrasted to corporate businesses, particularly in Western countries, that exist for the purpose of increasing shareholder wealth (Paulsen, cited in Miller and Abraham, 2006). Measuring outcomes associated with mission and service may be much more difficult than measuring outcomes associated with wealth. Lyons (2001c) has made the point that using techniques and practices from the business sector in contrast with the characteristics that define the sector, can be seen as the ‘paradox at the heart of the third sector’.

Miller and Abraham (2006) have also identified that traditional values of volunteerism, constituent representation and stewardship may not align well with corporate governance models. But due to the complexity of organisations in the third sector, it may be limiting to assume one single theory or approach for governance even though there might be many commonalities. There may be other pressures faced by TSOs that organisations in the business sector do not face, such as contractual obligations from government and foundations. Miller and Abraham (2006, p 5) therefore saw a need for a revised governance framework which consists of four major factors: purpose, organisation type, legal regulations and enlightened history. There are also three underlying subsystems identified of roles, dynamics and enablers. These together were seen to create value in the organisation. A number of governance issues were raised in this research project that would have benefited from an analysis using such typologies. For organisations facing similar governance issues further research using such a revised governance framework may clarify roles and responsibilities. This would apply not just with meeting legislative requirements but
to ensuring that there are ongoing accountabilities at a governance level to measure the civil society governance responsibilities.

### 7.5.1 Policy Governance

The policy governance framework (Carver, 1997) used in this research was specifically designed for not-for-profit organisations. Carver made reference to the point that failures of governance are deemed to be not a problem of people but of process (Carver, 1997, p. xv). Providing policies for what the CEO does and what are the board's responsibilities, were identified as the solution. He also made the point that without the ability to test their product in the market TSOs will not know their worth or value, and that in the absence of the market test that boards need to perform this task.

However, as has been previously demonstrated, in the Compact Approach the market was identified as operating increasingly in the dynamic between state and intermediary organisations (see Figure 3). It can therefore also be argued that such ‘marketability’ does not necessarily meet the governance requirements for civil society organisations but could be applied as a framework more-suitable for non-profit organisations (see Lyons, 1996).

This calls into question the value of using Carver’s policy governance framework for civil society organisations. Johnson, Headey and Jensen (2003, p. 72), raised two sets of issues regarding governance that can be applied to such a framework. The first was whether internal governance structures were adequate, particularly for organisations receiving large amounts of government funding. The second area was the accountability back to government and ultimately the taxpayer. Policy governance can assist in meeting such accountabilities but does not provide a solution for all governance and senior management responsibilities. It can be argued, as has been previously stated, that for-profit, not-for-profit and civil society organisations all require a separation between management and governance responsibilities. However there are additional responsibilities that governance of civil society organisations require (as previously discussed) and the policy governance framework does not specifically address them.
Carver & Carver (2002, p. 202) identified four key indicators for evaluating the policy governance framework and they were: governance process, board–management delegation, ends, and management limitations.

What follows is a summary of each of the indicators in these four areas and a comment under each on how this was met or unmet in the case study organisation.

1. **Governance Process:** policies prescribe the board’s internal operations, governance methods, accountabilities, and philosophy.

   **Results and Comments:** The organisation was able to develop a range of policies and procedures (see Story lines 267-270). However, they were more focused on internal operations and accountabilities than governance methods.

2. **Board–Management Delegation:** policies prescribe the board’s methods of delegating and monitoring responsibility for management performance.

   **Results and Comments:** The board–management delegations tended to be verbal and often developed by exception—when something went wrong, guidelines were developed (RGMCNOTES11).

3. **Ends:** policies prescribe what value the company is to produce on owners’ behalf, usually some form of shareholder value.

   **Results and Comments:** The organisation revised its commitment to its vision and mission by developing a values statement (PROJMVV0103). A draft values statement was provided by the researcher to the committee for further discussion and development but was accepted completely by the President and placed on a desk plaque for each staff member for reference without any additional work.

4. **Management Limitations:** policies put ethics and prudence boundaries around the company’s methods, activities, conduct, and risks.
**Results and Comments:** Similar to board–management delegations, they tended to be verbal and normally developed by exception (RGMCNOTES11).

The use of the policy governance framework appeared to have been more directional for the organisation. By implementing policies, procedures and systems there was evidence that this assisted in providing organisational infrastructure to meet ongoing growth and capacity-building requirements. However, such policy development was not readily applied to delineate between the management committee (Board) and the General Manager. Given that the General Manager’s position was relatively new, it might be expected that some degree of time would be required to map out and implement any governance as well as management policy guidelines. This was particularly understandable given that many of the management committee members still had an interest in managing and not just governing the organisation.

In this regard there was evidence that Carver’s four quadrant areas were only partially completed in the organisation. A longitudinal study of the effects of this framework could be considered as a further research project. This would be of particular interest as there was a second General Manager employed at the end of the case study timeframe (this time from the staff ranks, see Story, lines 359-362) and ongoing support of policy governance outcomes would need to be validated over a longer period of time than 12-17 months duration of this study to determine their efficacy.

### 7.6 Partnerships, Change and Organisational Learning

Partnerships for organisations can provide opportunities to enhance and further operationalise their organisational purposes. For example, for organisations such as BBCRI they would not be able to fund the services they provide without the financial resources of their partner, the government. However, when partnerships are not effective, they can be a considerable waste of organisational resources as was to some degree, demonstrated in this research project.
There is arguably no set formula for how to make partnerships work. And if there was there are always the dynamics of politics and power within organisations that impact upon such intentions. This research project, like all Action Research projects, was, to a greater or lesser extent, inherently political (see Story, lines 221-362). It has been identified that where change is sought that involves significantly altering the status quo, such political developments are inevitable (Small cited in Small & Lynet, 2005).

It is also expedient to review the influences that impact upon change in organisations such as BBCRI. One major factor identified that affected the case study was public policy. Barraket (2006, p. 1) has noted some of the more recent shifts in public policy that are changing the community sector’s operating environment in Australia and they have included: new standards of performance measurement; the movement from core funding of organisations to purchasing their services contractually; an emphasis on partnerships between sectors (government, business, not-for-profit); and the growth of social policy responses that are focused on local communities of place. Here such changes have been driving new agendas within the sector, particularly in terms of competition, accountability, performance and service delivery. As was demonstrated in the case study organisation there are also opportunities within such a change environment and framework to innovate and diversify (see Story, lines 023-035).

Barraket has undertaken a significant review of the sector in Australia in terms of relevant literature as well as a sector profile. Particular features of the sector which can be acknowledged as important to policy development and implementation for community services organisations like BBCRI (Barraket, 2006, p. 5) included:

- the extensive and diverse networks of the sector;
- relations of trust between well-established community agencies and citizens experiencing high levels of disadvantage; and
- the possibilities for responsive local solutions generated by community innovation, which is often mediated by community sector organisations.

Such a profile identified that high levels of networking and trust, were fundamental attributes at the core of the sector. What was suggested here was that there were, and arguably would continue to be, significant opportunities for civil society organisations to continue to network and enter into meaningful partnerships with other key stakeholders within and outside the sector. This review also highlighted some of the changes in the sector that have been developing since the commencement of this case
study research project. There were arguably in 2006 more opportunities for partnerships than between 2000–2002. Such partnership arrangements may well have the potential to provide a competitive advantage for organisations in the sector over other government and business organisations that are ‘competing’ through competitive tender processes for the same community services.

Even though non-profit organisations have operated more in a market economy, the market has not existed with exactly the same regulating influence for non-profit organisations as has for commercial enterprise (National Roundtable of Nonprofit Organisations, 2004 p. 5). Here a case can be made for developing a regulatory framework to maximise the contribution of the non-profit sector, particularly in achieving Australia’s economic and social goals, to meet the needs of civil society organisations in particular as has been outlined in the previous chapters. This has included a need for more streamlined accountability processes when meeting government contractual obligations, as well as additional resources being provided by government to meet the additional governance requirements that are applied to the sector.

A recent literature review of the sector (Barraket, 2006, pp. 12, 14) has also identified that there have been a range of successful partner outcomes between government and the community sector, such as through formal agreements, and a summary has included:

- The agreement has been jointly initiated by the sector and government.
- The agreement has whole of government status and is championed and coordinated by a central agency.
- Representation of the sector in partnership arrangements has been determined by the sector itself.
- New partnership arrangements tend to be built between government and particular parts of the sector—most notably large community services organisations.
- Commitments to partnership recognise the benefits of collaboration, the independence of the sector, and shared understanding of accountability.
- Increased contractual arrangement reduces collaboration between organisations.
- Partnership arrangements recognise and commit to the sector’s involvement in policy development and review, as well as service delivery.
- There are mechanisms to put partnership agreements into action, to reward good practice and to deter non-compliance. (Barraket, 2006, pp. 12, 14)
Some of the major concerns that can be raised from these points were that larger community services organisations have tended to benefit from additional partnership opportunities with government and that increased contractual arrangements have reduced collaboration between organisations. The question could also be raised following these points as to whether there have been new partnership opportunities, outside of government, for community services organisations in particular? The opportunities also to network could be seen to be challenged with such a profile, and, if such trends were to continue, there would be major concerns for smaller community-based organisations. Particularly for those still aiming to work out of a civil society paradigm where partnerships with the community are central to the foundations of civil society, as has been outlined in previous chapters.

A significant influence on current government policy in Australia follows public choice theory which was based on an economic model related to motivation. Here the best way to achieve public policy goals was deemed to be by developing binding contracts with economic imperatives. Purchaser-provider contracts based on competitive tendering have been identified as a major practical application of public choice theory and principal–agent theory in Australia and overseas. Public management theory has also been influential in Australia, where imperatives such as promoting contracting as providing benefits such as mobilising voluntary agencies and community groups in the service of ‘community-owned government’ have been identified (Johnson, Headey & Jensen, 2003, p. 8). However, these policy directions arguably have had the tendency to promote purchaser–provider contracts and deter some of the public management theory goals of community mobilisation.

Barraket (2006, p. 19) also cited from the research that there have been a number of issues identified regarding support for the financial sustainability of the community sector and these have been summarised to include:

- an actively implemented commitment by government to full-fund the services it procures from the community sector;
- government service-purchasing strategies that take into account the social value added by community sector providers;
- taxation legislation that supports investment in the sector; and
• public policy frameworks that recognise and support the diversity of the sector, rather than prescribing particular approaches to generating income.

The full funding issue could be addressed through a formal Compact between government and the sector but also, as previously stated, directly involving civil society itself. Recent government practice has been to not fully fund all community services programs and to only partly fund cost of living (such as consumer price index) increases. This has meant in many cases an erosion of services, including service outputs being reduced (services cut-back) and an increasing reliance on ‘user-pays’ models. The need to take into account the social value-adding of the sector is an area that needs further promotion in order that civil society will be able to flourish (which includes encouraging diversity within the sector) with the full support of government.

The regulatory environment has also been identified as a major inhibitor to sector sustainability (Barraket, 2006, p. 21) and it has been identified that the government in consultation with the sector needs to:

• significantly reduce compliance costs of financial and other forms of reporting;
• make a tangible commitment to developing the sector’s capacity to manage accountability requirements generated by changing government requirements;
• better target regulation to take into account relative risks and costs of administration, both to government and the sector;
• coordinate and disseminate regulatory data collected, to ensure that it can assist the sector in understanding its own performance; and
• advocate for improved coordination between Federal and State regulatory requirements.

Governance and administrative requirements have been increasing for community services organisations, as has been argued in previous chapters. The findings in this research further support the need for either less regulatory compliance or conversely increased resources from the government for community services organisations to meet such requirements. Additional service and regulatory costs have to be met within existing government funding allocations. A recent example has included the requirement for all staff to have a Federal Police check to manage the risk of abuse of residents and clients receiving aged care services (Australian Government Department of Health and Ageing, 2006). This has come at a cost of between forty to seventy
Australian dollars for each staff member and services have not received additional funding to meet such costs.

There are currently 20 different ways to incorporate a non-profit organisation in Australia and there is a strong argument that the web of incorporation may need to be simplified (National Roundtable of Nonprofit Organisations, 2004, p. 2). The regulatory net at a Federal level is also compounded by a range of different legislative requirements that have to be met at State and Territory levels. Non profit organisations would arguably benefit from less regulation and more consistency so that for organisations such as BBCRI, more resources (including time) could then be allocated to direct service delivery, as opposed to regulatory functions.

Following a review of international experience (Barraket, 2006, p. 25), there was the suggestion that an acknowledgement of the contributions of the sector was important in developing effective social policy and for the strategic development of the sector which included the suggestion that:

- Understanding the dimensions of the sector assists in developing effective social policy by capturing evidence of what works and in what circumstances.
- Government support of a sustained research agenda on the sector can support policy efficiencies and improve sector sustainability.
- Approaches to researching the sector should incorporate the expertise of the sector itself, as well as research expertise from academic and/or commercial providers.
- It is important that research knowledge is shared to ensure that government, the sector, and the citizenry can benefit.

The issues identified in the above points highlight a definite need for additional research in the sector which would include the area of civil society which may have to be driven by the sector itself. It can be argued that evidence-based approaches will be required to influence government policy, and research certainly has a significant role to play in this regard. There have been a range of research opportunities identified from this research project that could contribute to the above-mentioned reforms.

There is also evidence of some growth as well as decline in the non-profit sector, with the latter particularly in areas such as collective action. If this were to continue it could dramatically reduce the capacity for regenerating social capital, for social
renewal and policy renewal in countries like Australia (National Roundtable of Nonprofit Organisations, 2004, p. 2).

7.6.1 The Development of Communities

Johnson, Headey and Jensen (2003, p.4) have described in the English-speaking world that there are three areas normally noted for human welfare: families, markets and governments. However, it has been recognised that in many European countries a fourth area, the community, was generally included. The point is raised that in the English-speaking world we may be concerned about ‘community’ when we have experienced that it was being lost. The need for a community and community involvement in particular, is fundamental to civil society and particularly the enhancement of the Compact Approach as has been identified in previous chapters. Developing civil society and assisting to build a sense of community and to support the community ‘looking after itself’, will be even more necessary for countries like Australia, particularly in meeting the needs of an ageing demographic, as was also highlighted in the earlier chapters. Hopefully we will not have to wait until there is a complete crisis in Australian communities to identify and value the need for community capacity-building following a civil society paradigm, which includes models such as the Compact Approach.

One area of research that can support community enhancement and the development of civil society is neighbourhood research. Here there was the suggestion that measures of the enhancement of social capital such as trust and reciprocity can even be successfully introduced into communities in relatively short timeframes (Johnson, Headey & Jensen, 2003, p. 68). In this research study it was identified that trust and reciprocity, for example between partnership organisations and reference groups, were essential indicators of civil society and community services capacity building. There is arguably a need to measure the value of our social capital by including it in even our national accounts, so that the government can also be accountable for its performance in this area. Trust and reciprocity call also be enhanced if a formal Compact agreement were to be formalised between the government and civil society organisations.
7.6.2 Effects on Individuals

As noted in the above section, trust and reciprocity have been used to measure social capital in communities. In the research case study there were a range of incidents identified where there were actual or potential experiences of breaches of trust as well as experiences where good will or actions that had not been reciprocated. For example, at an organisational level, there were ‘let-downs’ experienced with other organisations (see Story, lines 172-183). Also, at a group level, there were occasions where the Staff Group had felt ‘let-down’ by the Board Group; for example, with the introduction of new systems there was an additional workload where this intervention was seen to not solve problems as promised but to create them (see Story, lines 324-327). This led to increasing incidents of conflict and experiences of mistrust (see Story, lines 378–384). At an individual level there were also those who exerted power and control that led to dissatisfaction among others, and ultimately a lack of trust and support resulted (see Story, lines 354-362).

It can be assumed that such incidents must have had a significant impact on the feelings of those involved and yet this was not an area that was investigated as part of this research study. It has been shown, for example, that organisations also have “psychological fingerprints” where the identification with certain values, attitudes, and work roles can stimulate certain character types or psycho-social structures (Carr & Zanetti, 1999, p. 335). Here considerations of trust relationships and mourning are also raised. For example, experiences of trust and distrust can be evident as part of a “psychological contract”, workers may have with organisations, and can be experienced particularly in times of change or trauma.

This is certainly one area that could be further investigated. For any researcher to be involved in such a case study, it may also involve certain psychological contracts with the case study organisation, particular where the role is both as a participant and observer as was consistent with the Action Research methodology used in this study. For example, the researcher in this study also felt similar feelings of trust and being ‘let down’ as were described above (see RGSTNOTES09). It could be argued that any situation where there may be conflict and significant change may also require consideration of the psychological needs of participants. In Action Research the role
of the researcher is also to be available for other participants to de-brief their experiences and issues with. There is also a task for the researcher to cope with and manage personal experiences such as those related to such ‘psychological fingerprints’ in organisations.

7.6.3 Developmental Framework

With reference to the Compact Approach, it was identified that the interface between the state, intermediary organisations, and civil society and the relationship between the state and intermediary organisations was largely influenced by co-operation and competition in the environment of the marketplace (see Figure 3). Glasl (1997) has described that there are particular limitations when only relying on the perspective of the marketplace in any environment. One such concern is regarding the ethical behaviour of individuals and organisations, as Glasl (1997, p. 78) describes “…the morality of the market is that it has no morality”. The role of civil society can arguably be to also balance a social, economic and environmental framework that expands beyond the market-driven economic rationalism.

Here in understanding and measuring the development of civil society organisations Johnson, Headey and Jensen (2003, p.72) have called for reference to developmental frameworks that are wider than just measuring economic success or failure. One such framework has been identified with Glasl’s four developmental phases of organisations (as outlined in Table 9) which can be used with reference to for-profit, not-for-profit and civil society organisations. Applying these typologies to BBCRI, it was identified that even though the organisation had been operating for over 10 years, there were still strong elements typical of the Pioneer Phase with:

- personality of pioneer still shaping the structure and ways of working (original committee members still strongly influencing organisation);
- charismatic and authoritarian leadership (this was evident in some of the approaches to implementing systems requirements as well as other committee directives to staff); and
- functions organised around abilities of people (this was evident with the functions around both presidents).
However, there was also evidence of the organisation moving through the Differentiation Phase. This included reference to:

- increased emphasis on formalised structures;
- management becoming more business-like and rational;
- increased division of labour through specialised sections; and
- stronger emphasis on control through systems.

The staff in particular indicated that they wanted to move into the area of what is typical of the Integrated Phase. This was evident particularly with the desire for:

- increased self-planning, self-organisation and self-control;
- more integrated functions, including teams; and
- increased interest in ‘solutions-driven’ approaches.

Arguably the organisation could best be described as primarily moving through the Differentiated Phase, and on the one side being pulled back by some ‘old habits’ of the Pioneer Phase, particularly with some of the committee members who wanted to retain power and control, which was typical of this phase. Another point that can be identified is that the organisation was moving towards more self-management and solutions-driven models that required situational and developmental management more typical of the Integrated Phase.

In line with the fourth phase, the Associative Phase, was the level where partnerships operated according to principles such as mutual benefit and high levels of relationship management. Within this framework some of the challenges the organisation faced included internal power struggles which for BBCRI could be from staff as well as committee members. Government policy, where competitive tendering led to organisations working more against each other than for a common benefit, was also identified as a challenge in this phase.
Table 9: Glasl’s Four Developmental Phases (Glasl, 1997, pp.10-13)

<table>
<thead>
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<th>PHASE 1</th>
<th>PHASE 2</th>
<th>PHASE 3</th>
<th>PHASE 4</th>
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<tbody>
<tr>
<td>Pioneer Phase</td>
<td>Differentiated Phase</td>
<td>Integrated Phase</td>
<td>Associative Phase</td>
</tr>
<tr>
<td>• ‘Everything for our customer’</td>
<td>• ‘We sell what is good for us!’</td>
<td>• ‘We solve customers’ problems! We create customer benefit!’</td>
<td>• In biotope of enterprises: Shared destiny of relationships.</td>
</tr>
<tr>
<td>• Customer loyalty, personal knowledge of the customer’s situation.</td>
<td>• System, order, logic, control, feasibility.</td>
<td>• Vision, targets, strategies, developing basic principles cooperatively.</td>
<td>• Relationships to other organisations, stakeholders and environments.</td>
</tr>
<tr>
<td>• Personality of pioneer shapes structure, ways of working.</td>
<td>• Formalised structures, regulations, standard rules.</td>
<td>• Situational and developmental management.</td>
<td>• Long-term policies, trust and cooperation.</td>
</tr>
<tr>
<td>• Charismatic and authoritarian leadership.</td>
<td>• Functional structure, staffing structure.</td>
<td>• Integrated functions, teams, autonomous groups.</td>
<td>• Structural incorporation of external bodies, many associative forms.</td>
</tr>
<tr>
<td>• Functions organised around abilities of people.</td>
<td>• Differentiated management levels: planning, organising, directing.</td>
<td>• Self-planning, self-organisation, self-control.</td>
<td>• Situational and developmental management, capacity for conflict.</td>
</tr>
<tr>
<td>• Improvisation – flexibility</td>
<td>• Management, business-like, rational.</td>
<td></td>
<td>• Integrational functions, interface management, autonomous teams, self-managing.</td>
</tr>
<tr>
<td>• Means ‘irrelevant to result’.</td>
<td>• Staff adapt to the given circumstances.</td>
<td></td>
<td>• Responsible for, and management of, processes far beyond limits of enterprise: suppliers, customers through to waste management.</td>
</tr>
<tr>
<td>Division of labour. Separation: of planning implementation – control.</td>
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<tr>
<th>Dangers</th>
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<tr>
<td>Chaos, arbitrariness, lack of independence among staff.</td>
<td>Over-organisation, over-formalisation, fragmentation, rigidification, bureaucracy.</td>
<td>Tendency towards independence, insistence on autonomy, debates about aims and strategies for their own sake</td>
<td>Power blocks through strategic alliances, state within state.</td>
</tr>
</tbody>
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What has been identified using Glasl’s four-phase development model, particularly from an historical position, was that BBCRI had progressed from its early pioneering years and stage. As an organisation it had developed increasing levels of organisational infrastructure to meet the changes and challenges associated with its growth requirements. Different sections or divisions were formed accordingly in response to the increasing size and diversity of the organisation. There was some
evidence that BBCRI was evolving towards the Associative Phase where it may arguably be able to operate more with increased consistency towards the values of being a civil society organisation. It was at this phase that partnerships and frameworks such as the Compact Approach would be most effective, particularly in developing the association dynamic shown to be operating between intermediary organisations and civil society (see Figure 3). As has been demonstrated from this research study, if organisations have partnership goals that are not established on critical indicators such as trust and co-operation, they will be unsuccessful, particularly for those organisations operating out of a civil society paradigm where such indicators are foundational.

A point to be noted here is that unless organisations are able to reach a level of mutual understanding where synergies can operate as outlined in Glasl’s Fourth Associative Phase, it may be very difficult for any partnership model to be effective in enhancing the role and function of civil society. In this regard it was identified that BBCRI had not yet fully developed to this stage and because of this may have generally experienced difficulties with partnerships where the aim was to improve social capital and civil society in its local community. However, there were also examples provided where the organisation was enhancing its role in civil society but this was not evident through the particular partnership experiences with other organisations that developed as part of the Action Research process. It would be of interest to undertake a follow-up study of the organisation to identify what had further changed and developed since the time the research study was undertaken.

7.7 Conclusions: Implications for Policy and Further Research

What was presented in this research was a case study where the researcher came into an organisation at a particular point of time in the organisation’s history, where changes occurred following specific historical and policy contexts that were outlined in the earlier chapters. The researcher’s personal and professional interest in changes that were unfolding in a community services sector organisation in Australia, such as BBCRI, was also able to benefit the organisation through the utilisation of case study
research method. The researcher undertook a role of a consultant but also as a participant observer as a particular form of Action Research methodology.

Following a literature review there had been no research identified in Australia that had analysed the efficacy of the Compact Approach where state, intermediary organisations were all players in the further development of civil society, particularly in a practical setting. It was found that following the Compact Approach framework, the interaction of the three key actors (state, intermediary organisations and civil society) supported the development of civil society in a rural and geographically isolated community in regional NSW. This was precipitated through the additional delivery of community services identified to meet community need but also with the support and involvement of local communities. What was established was that the interaction between the state and the intermediary organisation (the case study) was most evident. There was an identified emergence of competition and to a lesser extent co-operation in the market environment that operated between state and intermediary organisations, which was an element of the Compact Approach. This trend was correlated with changes in government policy that encouraged and provided a focus on competitive advantages, arguably at the expense of co-operation. A number of partnership opportunities were investigated in the case study that supported this finding.

There was less evidence of the interface operating between citizen-state and citizen-intermediary organisations. The case study organisation saw its role as an intermediary organisation as well as advocating for civil society through a large volunteer base and providing community development support as well as direct advocacy for individuals and groups in surrounding communities. What this research demonstrated was that there was an inherent conflict in undertaking both of these roles. The primary focus of the case study organisation was on service delivery as an intermediary organisation as was represented in the research activities undertaken. For example, there was little direct involvement with citizens themselves in the research project, so the interfaces between citizens and intermediary organisations and citizens and state were not directly observed. As this research was conducted with a primary focus on the intermediary organisation and its subsequent involvement with the state as well as citizens, the Compact Approach was only analysed from this one
perspective. Further Compact Approach research is needed to investigate wider perspectives, including the primary positions of state and civil society, as well as how the three actors operate simultaneously from multiple positions.

Changes were tracked in the case study organisation which identified that the small community services organisation had developed into a medium sized community services organisation, over a 17-month period. For an organisation operating out of a civil society paradigm, such growth needed to be measured more than just in terms of economic and business management indicators. In meeting community need, community and organisational capacity building were also required identifiers. Business management and civil society management practices were both needed. Carver’s (1997) Policy Governance approach was introduced as it was specifically designed for not-profit organisations following business management principles. A key requirement was to differentiate between governance and senior management responsibilities. This was implemented at a time with a new position of General Manager in the organisation. What followed were mixed results. Policy development brought an increased focus on the implementation of much-needed systems for a growing organisation. However management committee (board) members had difficulty in no longer managing and focusing on governance responsibilities.

The new General Manager was also a former management committee member who also had difficulty in not governing as well as managing using consultative processes. With the replacement of the General Manager (this time from the staff ranks), research over a longer period of time may have identified additional positive results in board management differentiation. A follow-up study in this organisation could also determine any longitudinal benefits.

What this research also identified was that the Carver (1997) model was not able to meet all of the governance and management requirements of a community services organisation. For example not everything could be covered through policies and systems. It was argued following Lyons (1996) that civil society organisations, as opposed to those that were non-profit, needed frameworks that also accounted for the implementation of civil society visions, missions and values. Carver’s (1997) model could be modified to incorporate these requirements but as it was based strongly on
business principles such as the market economy, elements such as co-operation and networking would not be easily integrated within such a framework. New governance models for civil society in Australia were deemed to be necessary. Governments with their focus on economic and business outcomes may need to be led by the community services sector so that they re-frame their perceptions to include civil society accountabilities for themselves as well for community services organisations providing government funded services.

The implications of these findings included concerns about the future of small community based organisations and their capacity to meet the governance and administrative requirements placed on them particularly from government regulatory and contract requirements. Partnerships with other community services organisations to achieve economies of scale may be one solution, as well as outsourcing key functions such as accounting. The question of the size that an organisation needs to be, to maintain its viability, is also an area that would benefit from further research. The case study organisation through growth opportunities was able to employ a General Manager to meet increasing infrastructure requirements including management. Capacity building for civil society organisations will also increasingly need to involve volunteer management including the recruitment of voluntary boards with skill sets that will enhance the business as well as civil society development needs of community services organisations.

There are also challenges with the “bigger is better” mantra. For example, with community services in Australia between 1996 to 2002, the non-profit sector grew by 10%, the for-profit sector grew by 32% and the number of government organisation reduced (Wagner & Spence, 2003). Third sector organisations will need to demonstrate professionalism and a rigour of commitment to their civil society values and ideals if they are to survive the challenges of managerialism and economic rationalist policy directions at all levels of government. The government will also need to recognise the ‘value-adding’ that civil society provides that can’t be measured alone by contractual outputs that do not take into account the value of social capital. Here fundamental change to government policy and practice will be required. The government is main partner with community service organisations in Australia and such policy changes require input from all key stakeholders.
The future of civil society has been challenged by this research study in areas such as partnerships, governance responsibilities, managing change, and meeting the requirements of market-driven government policy reforms that are requiring civil society organisations to mirror for-profit business. Kamp (2000, p. 8) has described the ‘bigger’ and ‘better’ mantra of business where it is taken to the degree where people don’t matter, as being one of the greatest challenges for all societies to face. As a response, organisational frameworks also need to be applied where people do matter, as is fundamental to civil society organisations. Here partnerships may also be critical if they can be developed out of more associative frameworks such as the Compact Approach.

This research also identified that wider developmental frameworks need to be applied to scope organisational development than those focussed on only measuring economic success. One such example was with Glasl (1997), where his “Four Developmental Phases” approach was applied to the case study organisation. The findings here included the proposition that an organisation like BBCRI needed to develop to an Associative Phase in order that partnerships could be effective. This implied that effectiveness of partnerships is influenced by the relative level of development of each organisation. This area requires further research and the testing of such assumptions, particularly as they apply to civil society organisations.

The researcher also provided to the organisation a report which included a summary of the practical and theoretical findings of this research project. Articulating the results of this project in this way also completed the loop of intention to empower and support the organisation to make changes itself through reflective enquiry strategies, utilising tools such as Action Research. Such intentions and opportunities are also vital in supporting the community capacity-building of third sector organisations, particularly in the role of bridging theory and practice.

Using research in this way may also provide the opportunity to bridge the gap between how both researchers and community-based organisations can generalise findings to other settings (external validity) and how to acknowledge the specific circumstances of each organisation (internal validity). The changes that occurred in
the organisation were analysed and discussed through Stacey’s (1996) ordinary and extraordinary management framework. This conceptual tool provided a conceptual framework to understand change but it did not provide any indicators of how to implement change. The Action Research approach of changing by doing and then observing can be complemented by frameworks such as Stacey’s to inform an understanding of what has changed and what may be further planned. It was identified in this research that in the cycle of planning, acting, observing and reflecting, particularly at the reflecting stage conceptual maps can support learning that positively forms ongoing cycles (double-loop learning). There were also moments identified in the Action Research methodology when the cycles of planning, acting, observing and reflecting were arrested, particularly when individuals exerted power and control at the expense of the interest of the wider group. This also meant that ongoing Action Research cycles involving double-loop learning did not eventuate.

There were definite limitations with the Action Research protocols as they were applied in this research and outlined in the earlier chapters. Small and Lynet (2005, p. 943) have made reference to such compromises or ‘trade-offs’ evident between achieving rigour and relevance, balancing breadth and depth, and taking into account available resources. It was by operating within such parameters of making compromises and negotiating processes, that change was able to be navigated in the research setting. These are arguably fundamental descriptors that apply to all change settings. It is by acknowledging the practical ‘realities’ of social action that Action Research is arguably most effective as a research methodology, which has been supported in this research study.

The role of the researcher as a consultant was peculiar to this study. A researcher following Action Research method needs to take on a role of facilitation in planning and observing. Such a role should not continue in the moments of action. The researcher struggled with the expectation from the organisation in a consultant role to also facilitate actions. Whilst the particular Action Research methodology used in the research provided for such ambiguity, there were concerns that the researcher may have overshadowed group processes. The role of the consultant in Action Research is an area where there is much opportunity but also requires further critical analysis regarding the merits of this mode.
A key theme of this research was the use of story-telling methodology as a solution to the particular methodological problematic identified in response to the large amount of data recorded in the case study. This approach may also be found to be useful for other researchers facing similar research predicaments in the future. Story-telling as a case study method was developed as a device to collate data that were later interrogated in the analysis section. The combination of Action Research and story-telling as a case study method was unique in that it emerged out of the requirements of the particular setting and the methodological problematics presented. Following this example, a case can be made in social science for new methodologies to be developed in accordance the specific requirements of a research project, particularly when there are no suitable existing methods available from the literature.

A number of different stories have been told and analysed in this research project and have included: the organisation’s story, the story of civil society, the community services sector in Australia’s story, a story of change, the story of the Compact Approach, the story of governance and the story of a researcher who came to an organisation with a background as a consultant, and who wanted to make a difference to the sector by starting to work with one organisation that was identified as having a need for his support. This has been a life-changing experience for the researcher, one that has had a dramatic impact on his personal and professional reflexivity.
REFERENCES


Aged and Community Services Australia and National Rural Health Alliance. (2004). Older people and aged care in rural, regional and remote Australia. Deakin West: NRHA.


Mission Australia. (2002). *There’s something different about this place: Local, national and global directions in community capacity building.* Sydney: Mission Australia.


STACEY’S ORDINARY AND EXTRAORDINARY MANAGEMENT FRAMEWORK
(Stacey, 1996, pp. 71-72)

The framework of “ordinary management” is outlined in the following:

Ordinary management is practiced when most of the managers in an organisation share the same mental models or paradigms. Cognitive feedback loops then operate in a negative feedback manner so that shared mental models are not questioned. Choices are made according to some approximation to technically rational criteria, and this is possible because there is agreement on what the business is all about and what kind of environment it has to cope with. Also, control is practised in its planning/monitoring and ideological forms through the instrument of hierarchy and bureaucracy. Ordinary management is about rational process to secure harmony, fit, or convergence to a configuration, and it proceeds in an incremental manner. Ordinary management can only be practiced in closed or contained change situations, and indeed it must be practised in such situations if an organization is to be able to deliver competitive advantage. (Stacey, 1996, p. 71).

In contrast, Stacey (1996, p. 72) defines “extraordinary management” as follows:

Extraordinary management involves questioning and shattering paradigms, and then creating new ones. It is a process, which depends critically on contradiction and tension. Because it is outside the rules of an existing paradigm, because no-one can know what new paradigms will be shared, because no-one can know what the outcomes will be, rational analysis and argument cannot play much part in the developing of a new paradigm. Instead frame-breaking extraordinary management is a process of persuasion and conversion, requiring the contributions of champions. It is not about consistency or harmony, rather it is destabilizing and irregular. Paradigms cannot be changed incrementally. Instead, after long periods of grappling with anomaly, we seem to reach new paradigms in a sudden flash. The changing of paradigms is a revolutionary rather than an evolutionary process. Furthermore, paradigm changes cannot be organizationally intended. Those holding an existing paradigm do not decide in advance to find a new one. Indeed they resist the new one when it is first mooted. Consequently new paradigms have to emerge from the confusion created by anomalies and the contradiction of the existing paradigm. Ordinary incremental management with competitive trial-and-error experiments is bound to uncover anomalies and so lead to crisis and revolution. That revolution need not, however, be on a grand scale. Any small change in an organization that requires small groups of people to change their mental models qualifies as a revolution in the sense the word is being
used here. Such revolutions are probably more prevalent than we might at first imagine. Extraordinary management, then, is the use of intuitive, political, group learning modes of decision-making and self-organising forms of control in open-ended change situations. It is the form of management that managers must use if they are to change strategic direction and innovate.
APPENDIX 2

ASSOCIATIONS INCORPORATIONS ACT 1984 – SECTION 4
(NSW GOVERNMENT, 1984)

For the purposes of this Act, an association shall not be deemed to trade or secure pecuniary gain for its members or to be formed or carried on for the object of trading or securing pecuniary gain for its members by reason only that:

(b) the association itself makes a pecuniary gain, unless that gain or any part of it is divided among or received by the members of the association or any of them,

c) the association buys or sells or deals in goods and services where those transactions are ancillary to the principal object of the association and, where the transactions are with the public, the transactions:

(i) are not substantial in number or value in relation to the other activities of the association, or

(ii) consist of admission fees to displays, exhibitions, contests, sporting fixtures or other occasions organized for the promotion of the objects of the association,

d) the association is established for the protection of a trade, business, industry or calling in which the members of the association are engaged or interested, and the association itself does not engage or take part in, or in any part or branch of, any such trade, business, industry or calling,

e) members of the association derive pecuniary gain through the enjoyment of facilities or services provided by the association for social, recreational, educational or other like purposes,

(f) any member of the association derives pecuniary gain from the association by way of bona fide payment of remuneration,

(g) any member of the association derives from it pecuniary gain to which the member would be entitled if the member were not a member of the association,

(h) members of the association compete for trophies or prizes in contests directly related to the objects of the association, or

(i) the association:

(1) engages in trade which is, or
(ii) secures for its members pecuniary gain which is of a class prescribed for the purposes of this section.
## APPENDIX 3

**FUNDER PROVIDER FUNCTIONS (AULICH, 2002, P.5)**

<table>
<thead>
<tr>
<th>Roles (Government/ Private Provider)</th>
<th>Sponsorship, Grants and Subsidy</th>
<th>Partnership</th>
<th>Contract</th>
<th>Public Funding of Mainly Private Provision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor or sponsor/recipient.</td>
<td>Partner/Partner.</td>
<td>Purchaser/Provider.</td>
<td>Funder or Regulator/Provider</td>
<td></td>
</tr>
<tr>
<td><strong>Values</strong></td>
<td>Support and assistance to private ventures having public interest.</td>
<td>Collaboration.</td>
<td>Competition</td>
<td>Control of private providers to ensure public interest outcomes.</td>
</tr>
<tr>
<td><strong>Public Funding</strong></td>
<td>Marginal ‘top-up’. Typically short-term and/or renegotiable. May</td>
<td>Determined in partnership agreement.</td>
<td>Based on costs of service program. Contract length</td>
<td>Typically ongoing.</td>
</tr>
<tr>
<td>ACCOUNTABILITY</td>
<td>Compliance orientation; accounting for funds expended in terms of the purposes for which they have been provided.</td>
<td>Generally specific in advance or mutually adjusted during partnership. Some dilution of overall accountability.</td>
<td>Compliance with contract provisions. Some dilution of overall accountability.</td>
<td>Highly regulated regime with strong accountability requirements, including performance outputs.</td>
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</tr>
<tr>
<td>EXAMPLES</td>
<td>Funding of: agricultural production, performing arts, community and sporting groups, municipal bodies.</td>
<td>Infrastructure projects, public/private hospitals.</td>
<td>Blood transfusion service, refuse collection, employment services.</td>
<td>Health care.</td>
</tr>
</tbody>
</table>
APPENDIX 4

RGMCFEB01 MINUTES

MINUTES OF BBCRI MANAGEMENT COMMITTEE
REFERENCE GROUP MEETING HELD
8 FEBRUARY 2001 AT 7P.M.

Present: XXXX XXXXXXX, XXXXXXX XXXXXX, XXXXX XXXX,
XXXXXXXXX XXXXXX, XXXX XXXXX, and XXXX XXXXXXX.
XXX XXXX, XXXXXXX XXXXXXXX, were also in attendance for part of the
meeting.

1. General Business and Summary of Discussion

Ross Clifton provided a summary of the research process including the
confidentiality protocols. Documentation including previous correspondence
related to letters of invitation and other documents that had been sent to
people who were invited to become Reference Group members, was also
summarised.

Action research approaches to be used in the research were presented by Ross
and included the on-going cycle of planning, acting, observing and reflecting.
Confidentiality protocols were discussed as well as the importance and
purpose of the Reference Group including determining its own goals and
processes and that Ross will be part of the team.

2. Discussion Outcomes and Required Actions

It was agreed by the Group that:

- All information from the Management Committee Reference Group is
  held on file in a locked filing cabinet in XXXX’s Office.
- Meetings will occur prior to the monthly Management Committee
  Meetings and will be extended to 45 minutes from the next meeting.
- Confidentiality protocols are supported as agreed to from the Bay &
  Basin Community Resources Inc. Research Reference Group
  Confidentiality Protocols December 2000 document. This included:
  conversations and discussions remaining confidential except by
  general agreement (e.g. minutes); individuals not being identified in
  the Final Research Report written by Ross Clifton; information
  collated by the Reference Group will be kept locked; privacy, dignity
  and cultural sensitivities will be identified and respected at all times;
  and any information disposed of by the Reference Group will be done
  on the basis of not revealing confidential information.
• Ross Clifton will take minutes and chair meetings until this situation is reviewed. A semi-formal style of proceedings at meetings and minute taking will be followed.

• The purpose if the group was discussed in terms of following BBCRI mission of providing community services to people who need them in the Bay & Basin area.

• There were 8 key areas or goals the Reference Group discussed and agreed to focus on:

1. Focusing on the BBCRI mission or purpose, particularly the role of the Management Committee as a representative group of the community and responding to identified need and changes in need.

2. Maximising windows of opportunity e.g. aged care and youth services.

3. Project Management.

4. Dealing with significant growth including being proactive and responding positively to change.

5. Time for dealing with staff issues.

6. Providing appropriate infra-structure so that things do not “slip through the net”.

7. Reviewing organizational structure in line with required changes.

8. Reviewing possible need for sub-committees or service area contact people who are Management Committee members.

Meeting closed at 7.30 p.m.

Date of next meeting 7.00 p.m. Thursday 8 March 2001.
APPENDIX 5

RGSTJAN01 MINUTES

MINUTES OF STAFF REFERENCE GROUP MEETING HELD
22 JANUARY 2001 AT 2.15 P.M.

RGSTJAN01

Present: XXXXX XXX, XXX XXXXXX, XXXXXXX XXXXX, XXXXX XXXXX and XXXX XXXXXXXX.

Apologies: XXXXXX XXX and XXXXX XXX.

7. General Business and Summary of Discussion

Ross Clifton provided a summary of the goals of the research project and outlined the confidentiality protocols considerations. This was a summary of the content of all previous letters of invitation and other documents that had been sent to people who were invited and had agreed to become Reference Group members.

Ross outlined action research approaches of methodologies, which involve an on-going cycle of planning, acting, observing and reflecting. It was mentioned how this approach could be used in the research project.

It was stressed that the Reference Group will be determining its own goals and processes and that Ross will be part of the team.

All members present discussed confidentiality protocols and the purpose and goals of the Staff Reference Group.

8. Discussion Outcomes and Required Actions

It was agreed by the Group that:

- All information from the Reference Group is held in the locked filing cabinet in XXXXX’s Office.
- Confidentiality protocols are supported as agreed to from Bay & Basin Community Resources Inc. Research Reference Group Confidentiality Protocols December 2000 document. This included: conversations and discussions remaining confidential except by general agreement (e.g. minutes); individuals not being identified in the Final Research Report written by Ross Clifton; information collated by the Reference Group will be kept locked and privacy, dignity and cultural sensitivities will be identified and respected at all times; and information disposed of by the Reference Group will be done on the basis of not revealing confidential information.
• Staff Reference Group meeting (22 January) will be recorded and typed by Ross and circulated to all members of Staff Reference Group before next meeting.
• Minute taking could be rotated among members.
• Reference Group meetings will need to be at least 1-2 hours long.
• Ross invited to attend Staff Meetings prior to Reference Group meeting. He would be “in attendance” more as an observer and not there in any capacity as a staff member or equivalent.
• The purpose of the Group was to focus on current or required changes that impact across all areas of BBCRI and are therefore relevant to all members of the Reference Group.
• There were 5 key areas identified for the Reference Group to focus on:
  1. Space requirements;
  2. Systems and procedures- including infra-structure requirements;
  3. Staff development and training;
  4. Effective interface with the Management Committee (e.g. with policies and procedures review); and
  5. Need for sub-committees to be developed in response to increasing diversification and growth in the service areas.

9. Agenda Items and Matters Arising for Next Meeting

Matters arising to be considered for discussion at the next meeting (5 February):

• Confirmation of members rotating minute taking and distribution responsibilities.
• Discussion and confirmation of minute formats and protocols.
• Further discussion and confirmation of 5 focus areas or goals.
• Discussion of other Reference Group protocols as may be required.
• Further discussion of how the planning, acting, observing and reflecting cycle will work.
• Agenda processes.

Meeting closed at 3.40p.m.

Date of next meeting: Monday 5 February, 11a.m. at Sanctuary Point.
MINUTES OF STAFF REFERENCE GROUP MEETING
HELD 5 FEBRUARY 2001

Present: XXXXX XXX, XXX XXXXXXX, XXXXXXX XXXXX, XXXXX XXXXXX, XXXX XXXXX, XXXX XXXXXXXXX, XXXXX XXX, and XXXXXX XXX.

Meeting commenced at: 11.05am

Minutes from previous meeting were read and discussed:

4. Discussion on the Staff Reference Group meetings being 1-2 hours duration, time 11am-1pm.
5. The formality and structure of the group was discussed and a semi-formal approach will be taken.
6. Ross will remain in the chair position until the group is more established.
7. The Staff Reference Group’ files are to be kept in the Community Development Workers locked filing cabinet. Two extra keys to be cut and given to appropriate people on the Reference Group for access.
8. Management Committee Reference Groups’ files will be kept in a locked cupboard in the Administration Office room.
9. Revise point eight in Section 2 of previous minutes to include the words “common element” to the staff of BBCRI.
10. Minutes accepted as read and noted comment above.

General Business:

1. To ask Management Committee to purchase a dicta phone to be shared between all BBCRI services.
2. Minutes to be typed up by a Staff Reference Group member, XXXXX has volunteered to type staff reference group minutes.
3. Minutes of these meetings are to focus in on the * Issues or point of discussion
   * Outcomes
   * Solutions
   * Summary of discussion
   * Summary of process
4. The five key areas were revised and discussed asking for any additional key areas to be included, none was received, but will be looked at again next meeting.
5. Key issue No/5 is to look at a new model for the process steps of service delivery issues to be addressed by the Management Committee and Staff.
Need to formalize the process of Management Committee delegates being allocated to a service division of the BBCRI. This would give each service division a committee member who they can access, pass ideas, and have the opportunity to explain in full their service reports before committee meetings. This will enable the Committee delegate to give more details or a clearer picture to the Management Committee meetings.

**PROCESS would be:**

```
MANAGEMENT COMMITTEE  ←→  DELEGATE  ←→  STAFF/SERVICE AREA
```

6. Key area 4 follows model in key area 5. One suggestion is for staff to be present at Management Committee meetings if the staff member believes he or she would like to have input on particular issues. However time restraints with Committee may limit access to the meeting.

7. If staff are present at any time a Management Committee meeting T.I.L. needs to be made available.

8. A Centre Manager/Executive Officer be employed to be the first point of call for staff and the first point of call for the Management Committee for issues relevant to the organizational running of BBCRI, another other key area.

9. Recognition that the BBCRI roles as a Management Committee are becoming bigger. Maybe need to consider two meeting per month. One to discuss service delivery and the other to discuss community needs. There are issues that are not been seen addressed some months due to shortage of time and are put over to future meetings ie staff uniforms, staff contracts.

10. The paper process or mechanisms in BBCRI need to be reviewed. Consideration given to the implementation of procedures for when Administration Manager is absent. These are administration matters under guidelines (memos) set by the Management Committee. The staff need to have written notification on this process and who is responsible for tasks ie signing of cheques, key access to administration files upon request, T.I.L verification, Annual leave verification, petty cash requests.

Key areas 1,2,3 will be looked at next meeting.

Agenda items 4,5,6 will be looked at next meeting.

Meeting closed 12.34 pm

Next meeting 5th March 11am at SPYCC
APPENDIX 7

CASE STUDY DATA MAP

Four volumes have data are represented in this data map and can be sourced with the permission of the researcher. All data sourced is listed and coded according to its source and date. For example RGMCFEB01 refers to the Reference Group abbreviation (RG) then the Management Committee abbreviation (RGMC) then the date in terms of the abbreviated month (FEB) and document sequence (01) which represents RGMCFEB01. The data fields represented in this way followed by the date code included:

- Reference Group, Management Committee = RGMC(+DATE CODE)
- Reference Group, Staff = RGST(+DATE CODE)
- Partnership Project = PAR(+DATE CODE)
- Partnership Project, Dementia = PARDEM(+DATE CODE)
- Project, McLeans Point Road = PROJMPR(+DATE CODE)
- Project, Mission Vision and Values = PROJMVV(+DATE CODE)
- Project, Policies and Procedures = PROJ(+DATE CODE)
- Project, General Manager’s Position = PROJGMP(+DATE CODE)
- Project, Community Aged Care Packages = PROJCACP(+DATE CODE)
- Project, Employment = PROJ+THREE-LETTER DOCUMENT ABBREVIATION(+DATE CODE)
- Researcher’s Other Notes = RES+THREE-LETTER AREA ABBREVIATION(+DATE CODE)

The categories of Compact, Change Management, Governance and other refer to key research themes and have included comments underneath each column where the researcher has identified a correlation with each data source.
<table>
<thead>
<tr>
<th>Data Source</th>
<th>Data Form</th>
<th>Compact – Category</th>
<th>Change Management – Category</th>
<th>Governance - Category</th>
<th>Other- Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>RGMCFEB01</td>
<td>First Committee Reference Group Meeting</td>
<td></td>
<td>General growth opportunities discussed</td>
<td>Infrastructure needs discussed</td>
<td>Outlined map of research including protocols, action research methodology and identifying 8 goals for Committee (which were determined by the group)</td>
</tr>
<tr>
<td>RGMCMAR02</td>
<td>Second Committee Reference Group Meeting</td>
<td>Partnership opportunities discussed</td>
<td>Need for growth discussed</td>
<td>Infrastructure requirements further discussed</td>
<td></td>
</tr>
<tr>
<td>RGMCAPR03</td>
<td>Third Committee Reference Group Meeting</td>
<td>Model of ‘sourcing own funding’ discussed</td>
<td>Discussion on optimal size of organisation Funding submissions to include required infrastructure to deal with growth</td>
<td>Policies for staff reports and project management Policy directions/accountabilities discussed for new General Manager’s role</td>
<td>Need for General Manager’s role discussed.</td>
</tr>
<tr>
<td>RGMCMAY04</td>
<td>Fourth Committee Reference Group Meeting</td>
<td>G.M. role to include networking skills and funding opportunities.</td>
<td>G.M. to implement organisational goals (including change) and growth opportunities</td>
<td>Direction of General Manager’s role to deal with day-to-day management issues. Position to include staff management skills, developmental skills and personal values.</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td>Committee Reference Group</td>
<td>Meeting</td>
<td>Work for the Dole program need for support from Local Federal Member</td>
<td>Marketing discussed</td>
<td>Policies and guidelines for the Work for the Dole Program Policies for Management Committee structure and recruitment</td>
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<tr>
<td>RGMCIUN05</td>
<td>Fifth Committee Reference Group</td>
<td>Meeting</td>
<td>Work for the Dole program need for support from Local Federal Member</td>
<td>Marketing discussed</td>
<td>Policies and guidelines for the Work for the Dole Program Policies for Management Committee structure and recruitment</td>
</tr>
<tr>
<td>RGMCIUL06</td>
<td>Sixth Committee Reference Group</td>
<td>Meeting</td>
<td>Staff discussions with local member. Aged Care Assessment Team referral processes slowing up client referrals.</td>
<td>Report that staff members have a degree of ownership with system changes. Good image and sense of identity important for organisational members.</td>
<td>General Manager implementing systems – polices and procedures. Another planning day discussed. Staff recruitment processes discussed.</td>
</tr>
<tr>
<td>RGMCAUG07</td>
<td>Seventh Committee Reference Group</td>
<td>Meeting</td>
<td>Report that marketing campaign has had positive results. Service operating with one identity. Service has grown to 34 staff. Need for administration growth. Need for forward planning with management Committee members and senior staff to identify work goals, time</td>
<td>Induction procedures implemented for new staff. Staff supporting G.M. position. Further systems development involving staff input.</td>
<td>General Manager implementing systems – polices and procedures. Another planning day discussed. Staff recruitment processes discussed.</td>
</tr>
<tr>
<td>RGMCOCT09</td>
<td>Ninth Committee Reference Group Meeting</td>
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<tr>
<td>Leisure Centre project opening with Mayor cutting ribbon with BBCRI President. CACP program is under budget due to places not being filled because of</td>
<td>President has spent time in Administration further reviewing and implementing systems and procedures. OH&amp;S assessment 9.5 out of 10.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>RGMCSEP08</th>
<th>Eighth Committee Reference Group Meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest in working with the ‘politics’ in the region Leisure centre project finalised – working with Council and community. BBCRI fundraised $100,000 towards the project</td>
<td>Comment ‘growth begets growth’. Comment that staff were working as a team for the first time ‘in a long while’. Planning day discussed again to support ‘unity in action’ approach, so that to is a forward plan with a focus on common goals. This need identified in reference to growth and development. ‘Beginning, completion and review’ mechanisms are in place for systems and procedures. Financial management systems also in place. Issues about staff conflict resolution processes discussed. Line management structure discussed with clear responsibilities outlined for when staff need to go to the General Manager and/or Management Committee. Staff spending too much time on Administration. Clarification of ‘core business’ of organisation – outlined in mission statement.</td>
</tr>
<tr>
<td>Date</td>
<td>Event Description</td>
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<tr>
<td>RGMCNOV10</td>
<td>Tenth Committee Reference Group Meeting</td>
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</tbody>
</table>
Changes in government policy. Individuals having the most influence. Differences of opinion where division between more optimistic and pessimistic thoughts and language.

<table>
<thead>
<tr>
<th>Data Source</th>
<th>Data Form</th>
<th>Compact – Category</th>
<th>Change Management – Category</th>
<th>Governance - Category</th>
<th>Other- Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>RGSTJANO1</td>
<td>First Staff Reference Group Meeting</td>
<td>Need for staff training and development identified. Sub-committees identified as possible strategy to respond to diversification and growth in service areas.</td>
<td>Need for systems and procedures and infrastructure requirements identified. Interface with Management Committee re policies and procedures identified.</td>
<td>Research protocols confirmed. Action Research methodologies confirmed.</td>
<td></td>
</tr>
<tr>
<td>RGSTFEB02</td>
<td>Second Staff Reference Group Meeting</td>
<td>Revised goal of ‘to look at a new model for the process steps of service delivery issues to be developed by Management Committee and staff’.</td>
<td>Recommendation to have process where each service has a management Committee delegate (contact person). Goal 4 included in new Goal 5. Recommendation that staff attend management Committee meetings if</td>
<td>Semi-formal approach agreed upon. Common elements of service identified as a priority.</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td>Reference Group Meeting</td>
<td>Acknowledged that organisation had moved from small to medium organisation. Need identified for more space, such as demountable for OOSH.</td>
<td>Agreement made for recommendation that there be a ‘general manager’ not a ‘centre manager’. Going through HACC validation and having to face accountability for ‘governance’ responsibilities.</td>
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<tr>
<td>RGSTMAR03</td>
<td>Third Staff Reference Group Meeting</td>
<td>there are particular input that they have valuable input. Recommendation that a centre manager/executive officer/general manager be employed as ‘first port of call’ for staff and organisation. Due to shortage of time, recommendation that there are 2 Committee meetings/month one for service delivery and the other to discuss community need). Comment that staff members need to be given notification of new policies and procedures, especially administrative.</td>
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<tr>
<td>RGSTAPR04</td>
<td>Fourth Staff Reference Group Meeting</td>
<td>Changing interface between staff and management Request for policy review for Head Office, youth services, General</td>
<td>Methodology identified: planning, acting, observing</td>
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<tr>
<td>Date</td>
<td>Event Overview</td>
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<tr>
<td>RGSTMAY05</td>
<td>Fifth Staff Reference Group Meeting: Committee. SPYCC not ‘best’ venue for youth services, as centre is used for a range of ‘other’ activities.</td>
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<td></td>
<td>Manager’s position, need for sub-committees. Identified that 25% maximum Administration allocation for service budgets.</td>
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<td></td>
<td>and reflecting. 5 Goals reviewed.</td>
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</tr>
<tr>
<td>RGSTJUN06</td>
<td>Sixth Staff Reference Group Meeting: Concerns regarding infrastructure needs Role of general manager, staff appraisals, OOSH general policies (incl staff levels) roles of sub-committees, budgetary processes and role of sub-committees.</td>
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<tr>
<td></td>
<td>Training needs discussed, including computer training.</td>
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<tr>
<td>RGSTJUL07</td>
<td>Seventh Staff Reference Group Meeting: Need for training to meet infrastructure changes. Staff waiting for instructions from Committee on new operating systems.</td>
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<tr>
<td></td>
<td>Training needs update provided.</td>
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<tr>
<td>RGSTAUG08</td>
<td>Eighth Staff Reference Group Meeting: Growth and partnership opportunities reviewed. Noted that 2001 was the first year service had moved from 5 days/week service to 7 days/week service. Review of change management strategies Reference Group functions reviewed. Systems management issues reviewed.</td>
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<tr>
<td>RGSTNOTES09</td>
<td>Researcher’s notes Minimal discussion of new partnership projects in meetings. Growth perceived more on a level of addressing practical need. Infrastructure concerns to meet growth, such as space. Concerns that staff Distrust of committee emerged throughout meetings.</td>
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</tbody>
</table>
members have additional administrative tasks that compromise service delivery. Wanting differentiation in organisations with divisions, new General Manager and greater use of sub-committees. Some members not very active – unsure why. More of a learning culture compared to Committee. More double-loop learning activities than Committee. Optimistic for new service opportunities but pessimistic with how the Committee could manage this.

### PARTNERSHIP PROJECT - BAYREST

<table>
<thead>
<tr>
<th>Data Source</th>
<th>Data Form</th>
<th>Compact – Category</th>
<th>Change Management – Category</th>
<th>Governance - Category</th>
<th>Other- Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>PARJUN0001</td>
<td>Notification of meeting with BBCRI and Wollongong City Council (WCC)</td>
<td>Development of proposed partnership for NRCP project</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>PARJUN0002</td>
<td>Minutes of Meeting held 21 June 2000 written by BBCRI</td>
<td>Discussions of partnership tender for NRCP project</td>
<td></td>
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<tr>
<td>PARJUN0003</td>
<td>Minutes of Meeting held 21 June 2000 amended by WCC</td>
<td>Changes noted in Financial Allocation and record of proceedings</td>
<td></td>
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</tr>
<tr>
<td>PARJUN0004</td>
<td>Summary of follow-up actions from 21 June Meeting. Discussion</td>
<td>Outline of points of clarification and further action for</td>
<td></td>
<td>Policy issue for brokerage direction. Vision to become ‘major’</td>
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<tr>
<td></td>
<td>with researcher.</td>
<td>NRCP project</td>
<td>aged care service. Contractual obligations for memorandum of understanding. Commonwealth had approved capital. WCC not willing for BBCRI to receive this being car and equipment set-up costs. WCC wanted to keep capital themselves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PARJUN0005</td>
<td>Additional notes to follow-up actions from 21 June meeting (PARJUN0004)</td>
<td>Additional issues/concerns to be considered by BBCRI</td>
<td>Policy issue of what to do with reduced funding amount received from Commonwealth. Brokerage only to be used in ‘emergency’. WCC more definite on need to use brokerage model.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PARJUN0006</td>
<td>Report/Fax to BBCRI President</td>
<td>Summary of issues (including concerns) raised with BBCRI Management Committee Question of why WCC would not hand over amount that BBCRI had requested (including vehicle). Commonwealth contacted and all further discussions</td>
<td>WCC insisting on changing project schedule from BBCRI having own staff to brokerage.</td>
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<tr>
<td>Code</td>
<td>Description</td>
<td>Details</td>
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<tr>
<td>PARJUL0007</td>
<td>Notes to revised Program Application (PARJUN0007)</td>
<td>Evidence of partnership starting to “fall apart” with volunteering project used as a motivator.</td>
<td></td>
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<tr>
<td>PARJUL0008</td>
<td>Notes to revised Program Application (PARJUN0007)</td>
<td>Revisions noted and made to application.</td>
<td></td>
<td></td>
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<tr>
<td>PARJUL0009</td>
<td>Original program application (PARJUN0007)</td>
<td>Financial and project data included in NRCP application.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>PARJUL0010</td>
<td>Minutes of meeting held between BBCRI and Government representatives</td>
<td>Partnership options explored other than WCC. Commonwealth acknowledged there were problems from lack of effective negotiation. WCC coming into Shoalhaven City Council may be sensitive. Current (reduced) funding option seen as ‘Stage 1’ of project. Decision made to separate from WCC and BBCRI.</td>
<td>BBCRI brokerage not an option. One third of funding acknowledged as not being enough to cover required services for Shoalhaven area.</td>
<td></td>
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</tr>
<tr>
<td>PARJUL0011</td>
<td>Revised application information sent to Department</td>
<td>Revised project costings not including WCC</td>
<td></td>
<td></td>
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<tr>
<td>Document Code</td>
<td>Description</td>
<td>Notes</td>
<td>Code (if any)</td>
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<tr>
<td>PARJUL0012</td>
<td>Letter from MP</td>
<td>Acknowledging NRCP project partnership arrangement inappropriate</td>
<td></td>
<td></td>
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<tr>
<td>PARJUL0013</td>
<td>Fax</td>
<td>Additional information provided for Bayrest Application</td>
<td></td>
<td></td>
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<tr>
<td>PARJUL0014</td>
<td>Notes</td>
<td>Frustrations from all stakeholders regarding hidden agendas and gaps</td>
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<tr>
<td></td>
<td></td>
<td>between what was said and promised and what was done.</td>
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<td></td>
<td></td>
<td>Committee losing confidence in strategies</td>
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<tr>
<td>PARJUL0015</td>
<td>Notes on project requirements</td>
<td>Exploration of partnership opportunities</td>
<td></td>
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<tr>
<td>PARAUG0016</td>
<td>Fax with final changes to budget</td>
<td>Changes to funding application budget</td>
<td></td>
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<tr>
<td>PARAUG0017</td>
<td>Researcher’s notes</td>
<td>WCC promised lots of ‘in-kind’ outcomes, also with the promise of</td>
<td></td>
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<td></td>
<td></td>
<td>Illawarra Volunteering to set up ‘Shoalhaven Volunteering’. Not</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>interested in the taking authority.</td>
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</tbody>
</table>
Commonwealth was watching this project with ‘great interest’. Decided that model to be used was ‘brokerage’. There was only one brokerage service (external to BBCRI) and BBCRI wanted its own staff. BBCRI also wanted car as part of set-up costs. Because of geographical isolation Commonwealth initially proposed one-third funding to BBCRI due to geographical isolation.

PARJUN0003 minutes changed from ‘would’ to ‘could’ help BBCRI. PARJUN0003 WCC extend service from ‘interested in’ to ‘possibly offering’ to extend service into Shoalhaven noted as personal opinion. Also
change from “will” to ‘may’ offer funding back as slippage. Brokering models that may work in one area may not work in another area.

PARTNERSHIP PROJECT - DEMENTIA

<table>
<thead>
<tr>
<th>Data Source</th>
<th>Data Form</th>
<th>Compact – Category</th>
<th>Change Management – Category</th>
<th>Governance - Category</th>
<th>Other- Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>PARDEM0101</td>
<td>Notes from Meeting</td>
<td>Dementia Project discussions, initially with BBCRI then between Illawarra Area Health and BBCRI.</td>
<td>Model BBCRI to take over Frenz group which had been providing services as far south as Sussex Inlet. BBCRI not interested in taking over unless funds allocated.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PARDEM0102</td>
<td>Expansion/ enhancement of service request with government</td>
<td>Expectation of development following partnership models. Illawarra Area Health was not able to run Frenz group effectively and requested BBCRI to take over January 01</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>PARDEM0103</td>
<td>Notes from Meeting</td>
<td>Dementia models</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Document Code</td>
<td>Description</td>
<td>Details</td>
<td></td>
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<tr>
<td>PARDEM0104</td>
<td>Typed Notes from Meeting 03/01/01</td>
<td>Models outlined for partnership project</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>PARDEM0105</td>
<td>Critical Issues Document</td>
<td>Mapping of critical issues, including those with Dementia, by the Illawarra Forum Inc</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>PARDEM0106</td>
<td>Funding Application Guidelines</td>
<td>Regional Capacity Building NSW Ageing and Disability Department</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>PARDEM0107</td>
<td>Draft Budget for proposal</td>
<td>Funding parameters and budget identified</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>PARDEM0108</td>
<td>Fax</td>
<td>Illawarra Area Health had not yet started their section of the application.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PARDEM0109</td>
<td>Notes and draft application following Department of Ageing and Disability formatting</td>
<td>Summary of Project and draft application completed</td>
<td></td>
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<tr>
<td>PARDEM0110</td>
<td></td>
<td>Application forwarded to the Management Committee for consideration.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>PARDEM0111</td>
<td>Fax requesting information and clarification of funding application requirements</td>
<td>Identification of possible requirements of separate budgets for each organisation in</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reference</td>
<td>Description</td>
<td>Notes</td>
<td>Implications</td>
<td></td>
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<td>------------------------------------------------------------------------------</td>
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<tr>
<td>PARDEM0112</td>
<td>Fax of revised section of funding application</td>
<td>Policy requirements outlined</td>
<td>Revision of sections of funding agreement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PARDEM0113</td>
<td>Fax of revised funding application sections</td>
<td></td>
<td>Revision of sections of funding agreement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PARDEM0114</td>
<td>SWOT analysis undertaken for identifying</td>
<td>Identification of further growth/partnership requirements and opportunities.</td>
<td>Implications for policy on further growth for organisation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PARDEM0115</td>
<td>Researcher’s notes</td>
<td>Partnerships model not successful for extra Dementia care. DADHC informed BBCRI that their component was well documented and successful. However approx. $35,000.00 extra allocated by DADHC through Neighbour Aid project, including transport as partnership for Frenz Group. $2,000 allocated from BBCRI funding.</td>
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</table>
### PROJECT - McCLEANS POINT ROAD AGED CARE VENUE

<table>
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<th>Other- Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROJMPR0101</td>
<td>Notes for building modification requirements</td>
<td>Negotiations with Council to change zoning as it was zoned for tourism. Additional staff for growth in services.</td>
<td>Additional services</td>
<td>Leasing agreements. 5 year lease with 5 year option</td>
<td>$50,000 capital received for renovations for new facility Approx January 01.</td>
</tr>
<tr>
<td>PROJMPR0102</td>
<td>Researcher’s notes</td>
<td>Council providing some encouragement and support for project.</td>
<td></td>
<td>Frustrations with Council ‘red tape’.</td>
<td>Staff and committee feeling uncertain with difficulties faced.</td>
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</table>

### PROJECT – VISION, MISSION AND VALUES

<table>
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<tr>
<th>Data Source</th>
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<th>Governance - Category</th>
<th>Other- Category</th>
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</thead>
<tbody>
<tr>
<td>PROJMVV0101</td>
<td>Notes, working document for vision, mission and values</td>
<td></td>
<td></td>
<td>Working notes provided as example for Management Committee to use in workshop situation to further develop vision, mission and values statement.</td>
<td></td>
</tr>
<tr>
<td>PROJMVV0102</td>
<td>Finalised document</td>
<td></td>
<td></td>
<td>President adopted working document as final vision, mission and values statement without further workshopping.</td>
<td></td>
</tr>
<tr>
<td>PROJMVV0103</td>
<td>Researcher’s notes</td>
<td></td>
<td></td>
<td>Eagerness to implement Vision, mission and</td>
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</table>
systems without allowing processes to unfold. values taken from key phrases in organisation’s constitution. developed from draft and committee implemented draft. This was intended for discussion only.

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<tr>
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<tbody>
<tr>
<td>PROJPPM0101</td>
<td>Policies and procedures manual</td>
<td></td>
<td></td>
<td>Identified policies and procedures developed to meet governance and service responsibilities</td>
<td></td>
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<tr>
<td>PROJMVV0102</td>
<td>Draft polices and procedures</td>
<td>Need to meet accreditation requirements</td>
<td></td>
<td>Additional policies developed</td>
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</tr>
<tr>
<td>PROJMVV0103</td>
<td>Notes from researcher</td>
<td></td>
<td></td>
<td></td>
<td>Researcher involved in developing a range of policies and procedures following HACC Acorn Manual model. This included governance, complaints handling, service delivery which lead to government</td>
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</table>
validation – February 2002 with 20 out of 20 score.

## PROJECT – GENERAL MANAGER’S POSITION

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<td>PROJGMP0101</td>
<td>Discussion Paper</td>
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<td>Creation of new position</td>
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<td></td>
<td>Rationalisation for new</td>
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<td></td>
<td>General Manager’s position</td>
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<td>including undertaking day</td>
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<td>to day operational</td>
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<td>responsibilities</td>
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<td>previously undertaken by</td>
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<td></td>
<td>Management Committee.</td>
</tr>
<tr>
<td>PROJGMP0102</td>
<td>Proposed new organisational</td>
<td></td>
<td>Changing organisational</td>
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<td></td>
<td>structure</td>
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<td>structure</td>
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<tr>
<td>PROJGMP0103</td>
<td>Proposed position; phased options</td>
<td></td>
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<tr>
<td>PROJGMP0104</td>
<td>Current and proposed models for</td>
<td></td>
<td>Re-structuring of positions</td>
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<tr>
<td></td>
<td>Community Development Officer,</td>
<td></td>
<td>to fund General Manager’s</td>
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<td></td>
<td>Rural Youth Worker/Youth services</td>
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<td>position</td>
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<tr>
<td></td>
<td>Co-ordinator and new G.M. position,</td>
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<tr>
<td>PROJGMP0205</td>
<td>Position selection criteria and</td>
<td></td>
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<tr>
<td></td>
<td>position description</td>
<td></td>
<td></td>
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<tr>
<td>PROJGMP0206</td>
<td>Memo from President to Management Committee regarding G.M.</td>
<td>Consideration of G.M. performance. G.M. resigned as part of this review.</td>
<td></td>
</tr>
<tr>
<td>PROJGMP0207</td>
<td>Researcher’s Notes</td>
<td>There was agreement from staff and committee members, as indicated in reference group notes, for a need for a General Manager. It was more of an issue of how to fund position. This role was partly funded from a ‘Community Development Worker’ for 2 months. President appointed as General Manager.</td>
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</table>

### PROJECT – COMMUNITY AGED CARE PACKAGES

<table>
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</thead>
<tbody>
<tr>
<td>PROJCACP0101</td>
<td>Funding agreement for new CACP places</td>
<td></td>
<td>Additional funded places requires additional staff and infrastructure</td>
<td></td>
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</tr>
<tr>
<td>PROJCACP0102</td>
<td>Newspaper article outlining new funded program</td>
<td>Project funded with support from local Federal member</td>
<td>Significant increase in funding with associated</td>
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infrastructure and service delivery responsibilities – new opportunities.

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<tr>
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<th>Governance - Category</th>
<th>Other- Category</th>
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<tbody>
<tr>
<td>PRACC0101</td>
<td>Aged Care Co-ordinator Position Description</td>
<td></td>
<td>New positions created</td>
<td>New positions incorporated into policy structure</td>
<td></td>
</tr>
<tr>
<td>PRACC0102</td>
<td>Aged Care Co-ordinator Interview and selection processes</td>
<td></td>
<td>New positions created</td>
<td>New positions incorporated into policy structure</td>
<td></td>
</tr>
<tr>
<td>PRACC0103</td>
<td>Aged Care Co-ordinator Contract revision</td>
<td></td>
<td>New positions created</td>
<td>New positions incorporated into policy structure</td>
<td></td>
</tr>
<tr>
<td>PRACFS0104</td>
<td>Aged Care Field Staff position requirements</td>
<td></td>
<td>New positions created</td>
<td>New positions incorporated into policy structure</td>
<td></td>
</tr>
<tr>
<td>PRACR0105</td>
<td>Aged Care Program Support/ Receptionist Position requirements</td>
<td></td>
<td>New positions created</td>
<td>New positions incorporated into policy structure</td>
<td></td>
</tr>
<tr>
<td>PRACV0106</td>
<td>Volunteer Support Appraisal forms</td>
<td></td>
<td>Additional volunteer support required to meet growth in services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRACV0107</td>
<td>Researcher’s Notes</td>
<td></td>
<td>Human resource management functions</td>
<td></td>
<td></td>
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<tr>
<td>were poorly developed. Need for skilled staff but concerns regarding their availability</td>
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