Community Management in the Quasi-market: A critical examination of changes in discourse and practice in community organisations in New South Wales, Australia

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This thesis is dedicated to my father

John Augustine O’Shea

(1939 – 1985)
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About the Industry Partners

This research was funded via an Australia Research Council (ARC) APAI Scholarship. The industry partners for this research, Western Sydney Information & Research Service (WESTIR) and Local Community Services Association NSW (LCSA), represent and support a broad array of community organisations. As ‘peak’ organisations they have witnessed the State-initiated changes over the last five years and become increasingly aware of problematic practices associated with the management of community organisations with which they have daily contact. LCSA have raised a number of issues in a case study analysis of eleven small community organisations in NSW (Williams and Onyx 2002) which require in-depth exploration, and rigorous analysis.
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Statement of Authentication

I, Peri Anne O'Shea, certify that this thesis has not been submitted for credit toward any other degree at this or any other educational institution.

This thesis has been written by me and any help I have received in the research and preparation of this thesis itself has been acknowledged. Every effort has been made to ensure that writings and ideas delivered in any media, have been acknowledged and referenced.

Signature: .................................................................

Date: 26 March 2009
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<tr>
<td>ABC</td>
<td>Australia Broadcasting Commission</td>
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<tr>
<td>ACOSS</td>
<td>Australian Council of Social Services</td>
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<tr>
<td>ASU</td>
<td>Australian Services Union</td>
</tr>
<tr>
<td>COAG</td>
<td>Council of Australian [State and Federal] Governments</td>
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<tr>
<td>CSGP</td>
<td>Community Services Grants Program (DoCS)</td>
</tr>
<tr>
<td>DADHC</td>
<td>Federal Dept of Aging, Disability and Home Care</td>
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<tr>
<td>DET</td>
<td>NSW New South Wales Department of Education and Training</td>
</tr>
<tr>
<td>DIMIA</td>
<td>Federal Dept of Immigration and Multicultural and Indigenous Affairs</td>
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<tr>
<td>DoCS</td>
<td>NSW Dept of Community Services</td>
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<td>DOHA</td>
<td>Federal Dept of Health and Aging</td>
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<td>FaHCSIA</td>
<td>Federal Department of Families, Housing, Community Services and Indigenous Affairs</td>
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<td>Human Rights and Equal Opportunity Commission</td>
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<tr>
<td>HRSC</td>
<td>House of Representatives Standing Committee on Family and Community Affairs</td>
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<tr>
<td>IDF</td>
<td>Ideological Discursive Formations (Fairclough)</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>NCOSS</td>
<td>NSW Council of Social Services</td>
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<tr>
<td>NCP</td>
<td>National Competition Policy</td>
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<tr>
<td>NSW</td>
<td>New South Wales</td>
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<td>OH&amp;S</td>
<td>Occupational Health and Safety</td>
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<td>SACS [Award]</td>
<td>Social and Community Services Award</td>
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<td>UK</td>
<td>United Kingdom</td>
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<tr>
<td>USA</td>
<td>United State of America</td>
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<td>VfS</td>
<td>Voice for SONG (Small Organisation Non-Government</td>
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Abstract

The institutionalisation of neo-liberalist discourse has significantly changed the way in which the relationship between government and community organisations is described and regulated in Australia. These changes are most clearly articulated in government policy discourse as a move away from ‘funding’ community service organisations, to ‘purchasing’ the delivery of services.

Under previous funding models, responsiveness to community need was emphasised. Local knowledge was valued and community organisations were largely viewed as best positioned to assess local needs and to design services to meet those needs. In contrast, new highly regulated funding models have created a change in discourse that positions the community organisation as a seller of services to the government. In the ‘quasi-market’ the government is usually the only (or main) purchaser of services. As the sole purchaser, the government is now (potentially) responsible for specifying the nature of services that they are prepared to purchase. These changes in positioning have been accompanied by significant devolution of previous-government provision of human services to the non-profit sector, and are supplemented by considerable changes in regulation practices.

The principal questions asked in this research are:

- How have the changes in discourse and practice at the government level influenced existing discourse and practices in community organisations?
- How have changes in discourse and practices within and among community organisations affected their capability to operate in a way that is consistent with the values inherent in community discourse?

This research approaches the research questions from a Social Constructionist epistemology informed by the work of Michel Foucault and also neo-institutional theorists. This research implements Critical Discourse Analysis (CDA) as the methodological framework to draw out and analyse tensions that arise from a contest of the discourses of ‘community’ and ‘managerialism’. This research critically
examines emergent structures and practices of community organisations in New South Wales (NSW) through the critical analysis of relevant texts and data from four focus groups and nineteen interviews of management committee members and coordinators from community organisations throughout NSW Australia, with a focus on Greater Western Sydney.

The way in which these changes at the government level have been translated in discourse and practice at the organisational level, has resulted in a number of tensions within and among community organisations. The major tensions that emerged, and are discussed and analysed in this research, were:

- Increased managerialism and the impact on ‘traditional’ beliefs – or the ‘institutional myths’ – of community discourse and practice.
- Increased reliance by governments on community organisations and the effects of this on organisational capacity
- A shift of emphasis in accountabilities coupled with increased ‘professionalisation’ and the impact on ‘community representation’.
- Need or desire for alliances among community organisations and the impact of this on diversity and individual responsiveness

With these tensions came significant frustration and hardship as traditional strategies became more difficult to action in the quasi-market. Much of this tension was due to the use of one discourse to interpret another. What is required in community organisations is an increase in ‘critical consciousness’ to develop a ‘cultural literacy’. This study identified a number of strategies that were assisting community organisations to re-define their position in the new discursive context.
Chapter 1: Introduction

This study critically analyses the interplay of discourses in community management in the context of significant political and economic changes informed by neoliberalist ideology. These changes have situated community organisations in a quasi-market where governments now purchase service provision from community organisations rather than fund community organisations to provide services. Supporting the shift to the quasi-market approach are significant changes in discourse which can be characterised as managerialist. With the introduction of managerialist discourse there is an apparent contest of discourses with some evident incongruity between the more traditional discourses of community management and managerialist discourse. From this contest, a number of tensions have arisen. It is these tensions, and their consequent impact on the practice in, and capacity of, community organisations that are examined in this thesis.


This introductory chapter provides background to the research, the research objectives and the research questions. The chapter begins by highlighting the significance of this research in NSW and how the findings fit within an Australian and an international context. It then briefly outlines the context in which this study is set. This contextual discussion will include a condensed review of relevant literature with a more comprehensive review situated in Chapter 2. The research problem that motivated this study and provided the foundation for the research questions is then
provided. The overall purpose of this research, the research questions and aims are next outlined. A summary of the thesis structure, the theoretical foundations and the methodological framework conclude this introductory chapter.

The Significance of this Study

Community organisations are in an environment of shifting discourse. Changes in economic policy that favour neo-liberalist ideals such as competition, small government and managerialism, have had a significant effect on community organisations. Shifts in policy and associated discourse have presented significant challenges for community organisations.

At the same time, government and society’s reliance on community organisations as a major provider of human and welfare services has greatly increased. Governments, both in Australia (Onyx and Dovey 1999; Brown and Keast 2005) and throughout the western world (Bonoli et al. 2000a; George and Wilding 2002) are engaging in considerable devolution of human and welfare service provision to non-government organisations including community organisations (Onyx and Dovey 1999; Bonoli et al. 2000a). This has greatly increased the importance and significance of community organisations to governments and society in general (McDonald and Zetlin 2004; Spall and Zetlin 2004a). The extent of human and welfare provision via community organisations has increased to such an extent that widespread reduction of expenditure or a withdrawal of support to community organisations would result in severe disruption of the delivery of human and welfare services (Kenworthy Teather 1997; Hudson 1998; Hagen 1999; Onyx and Dovey 1999; George and Wilding 2002).

The Third Sector, which is comprised principally of community and other non-profit organisations, is seen by many (Neville 1999; Williams and Onyx 2002; Leonard and Onyx 2004; Maddison et al. 2004; Spall and Zetlin 2004a) to provide the institutional framework of civil society – to “play an important role in the promotion and enactment of democracy” (Hough et al. 2006 p.1). Non-profit organisations are seen to play “an important role as social institutions in building capacity of individuals
and community and collective efficacy around societal problems” (Spall and Zetlin 2004a p.284). It is therefore of major concern that at the same time that the importance of civil society is becoming more salient, the position of community organisations is becoming more tenuous.

In Australia, the promotion of the general role of philanthropy has been widely supported by both major political parties. For example, the Labor Prime Minister, Kevin Rudd (elected in 2007), has endorsed initiatives encouraging volunteerism and local participation that were introduced by the previous Liberal Party Prime Minister John Howard (in office from 1996-2007) (Staples 2008). These initiatives include the 1998 Round Table on Philanthropy and the active promotion of the role of volunteers in a ‘social coalition' vision of social policy, which relies on an active partnership between different levels of government, business, and civil society (Howard 1998a; Staples 2006). While the research for this thesis was conducted in NSW and reflects the particular stance that the NSW government has taken in relation to its association with community organisations, many of the organisations that participated in this research also received Federal government funding. The data presented in this thesis, therefore, include information about Australian Federal policy and its impacts upon community organisations. Many of the findings are also relevant in an international context. Neo-liberalist doctrines and associated changes in discourse and expectations of the non-government sector have permeated the western world (Bourdieu 1998; George and Wilding 2002). While some of the details in policy and relationships might be different from the Australian experience, there is much in this research that could inform international understanding of these issues.

**The Research Context**

The research starts from the premise that community organisations are situated in a climate of policy change reflected in and supported by a significant discursive shift. The rise in dominance of neo-liberalism in Australia (and in the rest of the western world), is reflected in significant social and economic policy changes that have impacted community organisations, particularly at the site of their association with
government through funding arrangements. In community organisations, these changes are most apparent at the discursive level where governments have manifested neo-liberalist and conservative economic ideology in clearly articulated policy and guidelines. These changes in discourse are significant as they have contributed to changes in how community organisations operate, who they serve, and who they represent and raise questions as to whether they can continue to exist in their current form. This section outlines the context in which this research is set.

The research focuses on ‘community organisations’. The institutional framework of civil society is comprised principally of community and other non-profit organisations, known collectively as the ‘Third Sector’ (Onyx and Dovey 1999; Lyons 2001). In this research the definition of community organisations is non-profit, non-government organisations, that are ‘community managed’ by a group of persons referred to as the ‘management committee’. The management committee is, theoretically, a group of volunteers chosen by a wider group of members within their community as representatives of the community (Lyons 2001). In this thesis the term ‘community management’ refers to a spectrum of organisational practices, contained within a fairly coherent and bounded discourse or institutional frame based on the management committee model as described above. ‘Community’ usually refers to, but is not limited to a geographical community. Some organisational communities are also defined by other factors that categorise them into a ‘field’ of community organisations. These include working with specific groups defined by ethnicity, race, gender, age or sexuality. For the purposes of this study, ‘community organisation’ is further delineated to community organisations that provide ‘human’, ‘welfare’ or ‘social’ services and/or have a role in ‘community development’.

Although some have a much longer history, community organisations have been an important provider of human services in Australia since the mid 1970s (Sharp and Inwald 1988; Lyons 2001). Community organisations were historically supported by various levels of Australian governments for their ability to identify specific needs of their community and to provide services to meet those needs. During the 1970s and 1980s Australian governments provided significant funds to many of these organisations (Everingham 1998). The political understanding of this era was that
the state was responsible for the well-being of all its citizens and should provide welfare services and resources as required (Brown and Keast 2005). As such, community organisations were funded with an appreciation that the services they provided augmented services provided directly by the state (Sharp and Inwald 1988; Brown and Keast 2005). This policy position was based on the following understandings: that people at the ‘grassroots’ as members of a ‘community’ were well placed to determine what was needed in their community, and that different communities were likely to have different specific needs that would not be met through the more ‘broad-brush’ and undifferentiated approach of governments (Sharp and Inwald 1988). Since the 1970s, the services provided by community organisations typically included projects aimed at ‘empowering’ communities (Sharp and Inwald 1988; Everingham 1998). Community organisations were usually seen to complement, rather than replace, the more ‘broad-brush’ approach of government service delivery. Political ideology that valued community participation, involvement and empowerment, which underpinned much social policy during the 1970s and 1980s supported community organisations (Everingham 1998; Brown and Keast 2005). Hence, from the 1970s until the early 1990s community organisations were supported by government due to their ability to identify local needs and provide services specific to these needs through their capacity to organise, encourage and support community participation.

During the 1990s, in accordance with the rise in the dominance of neo-liberalist discourse that espoused ‘small government’ (Pusey 1991; Bell 1998; Brown and Keast 2005), government positioning in relation to the provision of human and welfare services changed. The political focus shifted to one where individual citizen welfare was seen as being the dual responsibility of government and the recipients (Brown and Keast 2005). Rights became closely connected to reciprocal responsibility – a policy position dubbed by the Australian Federal Government as ‘mutual obligation’ (Raper 2000; Warburton and McDonald 2002; Garland 2008). These changes were driven by a neo-liberalist ideology, which asserted that once ‘freed’ from government intervention and regulation, markets will be self-regulating through ‘fair’ competition via their responsiveness to ‘individual choice’ (Pusey 1991; Bell 1998).
Despite economic doctrines that advocate a ‘downsizing’ of government (Pusey 1991; Bell 1998), most western governments are nonetheless responsible for ensuring that a base level of support and resources is available to all citizens (Lipset and Marks 2000; Latham 2001; George and Wilding 2002; Brown and Keast 2005). This governmental responsibility, together with an increasing awareness of future cost savings through investing in early-intervention and self-determination programs, has resulted in governments maintaining some level of support for the provision of welfare and community services (Brown and Keast 2005). Nevertheless, given that the downsizing of government was an important element of neo-liberalist ideologies (Bell 1998), it followed that government policy and practice shifted from the direct provision of human and welfare services to a position of ensuring these services were provided (Kenworthy Teather 1997; Brown and Keast 2005). As a result, much of the responsibility for the provision of human services was devolved to community organisations (McDonald and Marston 2002b). Community organisations now more frequently provide rather than complement services previously provided by government. The change in government positioning from actually providing services to being responsible for overseeing the provision of these services by a third party has been clearly articulated as ‘steering not rowing’ (Barlow and Röber 1996; Rawsthorne 2003; Aged and Community Services Australia 2008).

Accompanying this devolution of service provision to community organisations was a shift in government discourse in regards to its relationship with community organisations. This shift was expressed as moving away from ‘funding’ organisations to ‘purchasing’ the provision of services from organisations (Nowland-Foreman 1998; Neville 1999; DoCS 2001; Spall and Zetlin 2004a). This policy position has been referred to in some government documentation as the ‘purchaser/provider spilt’ (Barlow and Röber 1996; Mendes 2003). The purchaser/provider split, and the range of discursive genres that support it, has the potential to increase government control of the types of services that community organisations provide.

These reforms have been described as placing governments and non-profit organisations in the context a ‘quasi-market’ (Greenway 1991; Le Grand 1991; Le Grand and Bartlett 1993; Considine 2003; Spall and Zetlin 2004a; Le Grand 2007):
All these reforms had a fundamental similarity: the introduction of what might be termed 'quasi-markets' into the delivery of welfare services. In each case, the intention is for the state to stop being both the funder and the provider of services. Instead it is to become primarily a funder, purchasing services from a variety of private, voluntary and public providers, all operating in competition with one another (Le Grand 1991 p. 1257).

This study critically examines the discourse that accompanies the changes in ideology and policy and how these impact upon existing discourse and practice in community organisations. The purchaser/provider split, for example, has resulted in a new set of 'genre' – or 'ways of acting' (Fairclough 1995) – in describing and regulating the relationship between government and community organisations. These include ‘competitive tendering’, where community organisations have to submit tender documents in a competitive field with other organisations to ‘win’ government funds (Nowland-Foreman 1998; Neville 1999). Although, at the time of writing, not all community organisations explicitly compete for government funds, most are expected to engage in a formal contracting arrangements with government to secure funding (Nowland-Foreman 1998; Spall and Zetlin 2004a). These contracts, usually referred to as ‘service agreements’ or ‘funding contracts’, specify, to a more or less prescriptive degree, what service provision will be purchased from community organisations by governments (Nowland-Foreman 1998). Most service agreements or funding contracts also specify accountability measures and reporting procedures required from the community organisation to ensure that contractual terms are met (Nowland-Foreman 1998).

Both competitive tendering processes and service contracts presuppose that the government ‘decides’ what services will be purchased and provided (Nowland-Foreman 1998). This effectively challenges the notion that community organisations are best placed to gauge community needs. Service specifications that accompany contracts often have a strong emphasis on service delivery that appears to leave little or no room for community organisations to be involved in activities which take the form of services to whole groups rather than individuals – often referred to as ‘community development’ (Maddison et al. 2004). Not all studies have found this however, for example, Rawsthorne (2005), in a study including more than five-hundred non-profit organisations, found that most reported that they were able to
“provide input into identifying community needs and policies” in the quasi-market context (Rawsthorne 2005 p. 234).

Changes in the association between government and community organisations, brought about by neo-liberalist ideology, led to a policy position that asserts that all organisations should be subject to competition. This ideology was formalised in 1995 by the Council of Australian [State and Federal] Governments (COAG) in an agreement referred to as the ‘National Competition Policy’ (NCP) Agreements (Quiggin 1998; DoCS 2001). NCP asserted that governments should manage their business in the same way as for-profit organisations. These changes espoused an expectation that all organisations including community organisations and government departments operate in a competitive ‘free-market’ or at least simulate the conditions of for-profit organisations as closely as possible (Quiggin 1998; DoCS 2001). The discourse that supported these expectations has been referred to as ‘new public management’ or ‘managerialism’ (Barlow and Röber 1996; George and Wilding 2002; Mendes 2003; Bryson and Mowbray 2005; Keast et al. 2006). This research uses the term ‘managerialist discourse’. Managerialist discourse, which emphasises efficiency and accountability is manifested in government documentation in relation to their association with community organisations (DoCS 2001; 2008). In the context of the quasi-market, including the introduction of competitive tendering, community organisations need to be able to engage in the managerialist discourse to maximise their chance of survival (Onyx and Dovey 1999; Mendes 2003; Spall and Zetlin 2004a).

The Research Problem

As established above, community organisations wholly or partially funded by government are required to engage in managerialist discourse in order to engage with government departments regarding funding arrangements (Mendes 2003). This is where a quandary emerges. A divergence is apparent between managerialist discourse and practices associated with these changes, and ‘community discourse’, which have informed much of the past practice of community organisations.
The notion that community organisations can or are operating in a competitive free-market is arguably fallacious. The market in which community organisations operate is not free, but is what is referred to in this thesis as a ‘quasi-market’. The term ‘quasi-market’ reflects that the choices within this market are limited by forces either separate or arising from, but not part of, the ‘free-market’ (Australian Council of Social Services 1997; Neville 1999; Spall and Zetlin 2004a). For example, using the purchaser/provider analogy, community organisations usually have a very limited choice of purchasers. Human and welfare services often only have individual value to those who are least able to afford them (Le Grand 1991). Clients of community organisations rarely fully recompense, in economic terms, for the services they receive. While there is some scope for community organisations to also sell service provision elsewhere - such as corporate sponsorship (Addis and Geddes 2007), most community organisations rarely have access to more than one purchaser in any real sense. Governments are usually the only substantive ‘purchaser’ to which community organisations can ‘sell’ service provision (Le Grand 1991; Le Grand and Bartlett 1993). As such, the vast majority of human and welfare service provision is purchased by governments (Le Grand and Bartlett 1993; 1997; Neville 1999). The circumstance of only one choice of purchaser is not consistent with the general principles of a competitive market economy. The context in which community organisations are situated is thus referred to in this thesis, and elsewhere (Le Grand and Robinson 1984; Greenway 1991; Le Grand 1991; Le Grand and Bartlett 1993; 2004a; Le Grand 2007) as the ‘quasi-market’.

Community organisations are not without power however. In the quasi-market governments too have a limited choice of providers (Le Grand and Bartlett 1993; Le Grand 2007). As purchasers, governments’ choice of vendor is determined by the number of organisations available and by the willingness and capacity of these organisations to provide the services required in the location in which they are required. For some specialised services, as well as those in more remote locations, there may be only one organisation from which government(s) can ‘choose’ to purchase service provision.

While some human and welfare services are purchased from for-profit organisations, the vast majority of welfare and community services are purchased from non-
government, non-profit organisations (Le Grand 1991). Furthermore, as a result of the emergence of neo-liberalism, governments’ reliance on non-profit organisations has significantly increased (Kenworthy Teather 1997; Hudson 1998; Hagen 1999; Onyx and Dovey 1999; George and Wilding 2002). Community organisations are well placed in non-profit sector to provide locally focused services (Australian Council of Social Services 1997; Neville 1999; Suhood et al. 2006). Moreover, their connections to communities fit well with government discourse of individual and community responsibility (Warburton and McDonald 2002; Brown and Keast 2005). As a result, the devolution of service provision has greatly increased the number and prominence of community organisations in Australia (Everingham 1998; Onyx and Dovey 1999; McDonald and Marston 2002b).

Changes in social and economic policy and the discursive changes that have supported them have, however, led to many challenges for community organisations. As the current model of devolution becomes more pervasive and as governments’ and society’s reliance on community organisations increases, the examination and analysis of these challenges is an important first step in informing future policy.

One challenge for community organisations is how to maintain a role in community participation and development. The purchaser/provider split places emphasis on community organisations to deliver specific services as specified by government agencies through purchase contracts (Nowland-Foreman 1998; Ramia and Carney 2000; Rawsthorne 2005; Sidoti 2007). This overlooks the capacity for community organisations to determine the need for particular services based on their local knowledge and user-participation, leaving little room for community participation or development activities. Some have found that, in order to ‘survive’, some community organisations have accepted government funds with highly prescriptive service provision requirements attached leaving little or no room for community involvement in decisions about what services are provided (Garland 2008).

Privileging efficiency and competition, managerialist discourse presents some dilemmas for community organisations. One such dilemma, for example, is whether smaller community organisations will be able to survive in a highly competitive tendering environment. Competitive tenders, and other funding mechanisms, tend to
favour larger organisations or consortiums (Australian Council of Social Services 1997; Neville 1999; Suhood et al. 2006) due to an assumption that efficiency is easier to achieve in larger organisations (Sugden 1984; Greenway 1991). New tendering and contracting arrangements and managerialist discourse have also changed the expectations of community organisations by government. These include a range of new genres that formalise reporting, accountability and legal obligations (Nowland-Foreman 1997; DoCS 2001; De Carvalho 2002; Flack and Ryan 2003; Conroy 2005; DoCS 2008). These new requirements often demand extra resources and specialised skills which community organisations have had difficulty securing (McDonald and Marston 2002b). Many volunteer management committee members, for example, are finding the increased requirements, in terms of responsibility and accountability, difficult to meet (Australian Council of Social Services 1997; Hough et al. 2006).

The expectation that community organisations should act like for-profits in the ‘free-market’ sits incongruously with the role that many community organisations undertake in supporting those who are marginalised within society in some way. Community organisations are often the last bastion of support for people for whom the market ‘fails’ (Australian Council of Social Services 1997; House of Representatives Standing Committee on Family and Community Affairs 1998; Raper 2000). Paradoxically, the need for this type of support has increased in parallel with the increasing dominance of neo-liberalist policy due to the increasing reliance on the market to provide social services and support to citizens with the increasing marginalisation of some people or groups who do not have access to support provided in the free-market (Bowles and Gintis 2002). These include people or groups who are often not fully participating in the economic market place – such as, the unemployed, single mothers, newly arrived refugees or early school leavers – who have limited or no access to support offered in the free market (House of Representatives Standing Committee on Family and Community Affairs 1998; Suhood et al. 2006). When an organisation is providing services to support people or groups who were unable to access these services through the free-market, acting like a for-profit organisation would not only be difficult but possibly inappropriate. The adoption of for-profit principles in these circumstances could further prevent the obtainment of support services and increase marginalisation.
Another challenge for community organisations in the context of policy changes is whether community organisations can maintain a funding relationship with government and simultaneously be representative of their community. There is evidence of deterioration in the relationship between government and some non-profit organisations (Bowles and Gintis 2002; Our Community 2003; Maddison et al. 2004). Managerialist discourse emphasises economic principles over all others, including community (Jones and May 1999). While the purchaser/provider split has resulted in a significant devolution of services to community organisations, it has also given government greater control over what services are provided (Le Grand and Robinson 1984; Greenway 1991; Le Grand 1991; Le Grand and Bartlett 1993).

While community organisations are generally understood to be locally responsive and representative (Sawer 2002), how representative community organisations in fact are has been questioned (Bryson and Mowbray 1981; Sharp and Inwald 1988; Lyons 2001; Bowles and Gintis 2002; Mowbray 2004; Bryson and Mowbray 2005). The changes in discourse and associated expectations of community organisations have made it more difficult for community organisations to maintain connections with their community. For example, with the emergence of managerialist type discourses, the tasks and responsibilities of management committees have become more specialised and technical in nature (Hough et al. 2006). This has resulted in some community organisations selecting new management committee members for their technical, professional and specialist expertise and knowledge rather than for their local knowledge and experience (Hough et al. 2006; Cunningham 2008). Furthermore, some (Vigoda 2002; Carson 2003; Woodward and Marshall 2004b) have found that small local organisations are also increasingly likely to merge with or be replaced by larger ones with greater technical or financial capacities. Each of these approaches presents challenges for the continued capacity of community organisations to represent their community, which could have major implications for civil participation (Leonard and Onyx 2004; O’Shea et al. 2007).

Community organisations have demonstrated a high level of resilience, adaptation and ingenuity in the face of changes which is evidenced by the growth and continued success of community organisations despite significant challenges (Onyx and Dovey...
1999; McDonald and Marston 2002b; O'Shea 2007). With the increased devolution of human and welfare service provision to non-profit organisations, there are also significant opportunities for community organisations to increase in influence, prominence and quantity. Furthermore, there has also been an increase in rhetoric espousing community participation and responsibility (Vigoda 2002).

Community organisations stand at a cross-road of challenge and opportunity. Political and economic changes that increase central control are at odds with rhetoric that champions increased community participation. These changes in dominant discourses, including the inherent contradictions, have altered the power relations between community organisations and government and consequently the relationship between community organisations and their community. Changes informed by neoliberalist ideology espousing competition and free-market have the potential to threaten the continued relevance and effectiveness of community organisations, the community management model, and ideologies that underpin ‘community participation’. Conversely, community organisations are well placed to benefit from increased devolution of government service provision and dominant policy positions that promote community responsibility and participation.

While there is some literature that discusses some of the challenges community organisations are facing, most of this literature is speculative (Australian Council of Social Services 1997; Neville 1999; Darcy 2002; Maddison et al. 2004) or limited in focus (Raper 2000; Williams and Onyx 2002; Sykes 2006). There is very little previous critical research examining the effect of discourse on practice and what this means in terms of terms of power (McDonald and Marston 2002b). This dearth of research led Macdonald and Marston (2002b) to call for:

Critical scholarship and research into the operations and practices of the community sector, particularly with regard to the governance implications of the new welfare regime (p.387).

The Research Purpose, Question and Aims

The purpose of this research is to inform the community sector and policy makers about the implications of the purchaser/provider funding models to community
organisations in the provision of human and welfare services. The research critically analyses the interplay of new and existing discourses in the context of the quasi-market in relation to human and welfare service provision within community organisations. The research augments existing knowledge about how the contest of discourse can affect power relations and, in particular, how shifts in power and discourse have affected the structures, processes and practices of community organisations. The ultimate goal of this research is to inform the community sector and policy makers of the consequences of changes to discourse and policy to ensure that community organisations can be meaningful, effective and viable providers of human and welfare services in the face of political and economic changes both now and in the future.

The Research Questions

The principle questions asked in this research are:

- How have the changes in discourse and practice at the government level influenced existing discourse and practices in community organisations?

- How have changes in discourse and practices within and among community organisations affected their capacity to operate in a way that is consistent with the values inherent in community discourse?

The Research Aims

The aims of this research are to:

- Identify how changes in discourse at the government level have influenced the discourse and practice in community organisations:
  - To explore the linkages and contradictions among community and managerialist discourses.
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- To identify and analyse the tensions that arise from the contradictions in the discourse.
- To identify and analyse any challenges to existing practices embedded or institutionalised in community discourse.
- To identify any managerialist discourse that is in the process of being taken-for-granted or has become embedded in community organisations.

- Identify how changes in discourse and practices within and among community organisations have affected their capability and capacity to operate in a way that is consistent with the values inherent in community discourse.
  - To examine the relationships among community organisations, or how they constitute a ‘community sector’, using neo-institutional theory to gain a better understanding of how the sector can best work through any threats and maximise opportunities.
  - To examine changes in the relationship among community organisations and governments.
  - To evaluate the appropriateness of existing models and expectations of community management in the light of service purchase and contracting arrangements now preferred and promoted by government.

The Principle Research Findings

The way in which changes at the government level have been translated in discourse and practice at the organisational level, has resulted in a number of tensions within and among community organisations. The major tensions that emerged were:

- Increased managerialism and the impact on ‘traditional’ beliefs – or the ‘institutional myths’ – of community discourse and practice.
- Devolution with increased regulation and need for service provision and the impact on organisational sustainability.
A shift in emphasis in accountabilities coupled with increased ‘professionalisation’ and the impact on ‘community representation’.

Need or desire for alliances with other community organisations and the impact on diversity and individual responsiveness.

This research found that although changes in discourse and expectations of community organisations had presented significant challenges for community organisations, the tensions that arose also exposed some questionable or unhelpful practices embedded in community discourse. Despite these challenges, however, the research found that community organisations have adopted significant strategies to address the challenges and have found that many of the challenges also presented opportunities.

The research also found that there have been some significant changes in how community organisations connect with their communities and some ongoing concerns about representation.

The Thesis Structure

This thesis consists of nine chapters. The second chapter outlines the research context and provides a review of the relevant literature. Chapter 3 details the epistemological and theoretical foundations for this research, and Chapter 4 provides details of the methodological framework, method and sample. Chapters 5, 6, 7 and 8 each present, discuss and analyse one of the four tensions (as outlined above) that emerged from the data. Chapter 9 provides the final analysis which cuts across the four tensions to reach a number of conclusions about the current position of community organisations and provide some recommendations for their future sustainability. Figure 1 provides an illustration of the thesis structure.
The Theoretical Positions: Discourse, Power and Institutionalisation

This research approaches the research questions from a social constructionist epistemology informed by the work of Michel Foucault (1977a; 1977b; 1982) and seminal neo-institutional theorists (Di Maggio and Powell 1991; Jepperson 1991; Powell and Di Maggio 1991; Zucker 1991; Grant et al. 1998; Wallemacqu and Sims...
1998; Phillips et al. 2004; Grant et al. 2005; Oswick et al. 2005). Of significant interest is the effect of contesting discourse on existing discourse and practice and particularly, how this has affected the capability and capacity of community organisations to operate in a way that is consistent with the values inherent in community discourse. Increased central control with more prescriptive service provision requirements may have changed the power relations for community organisations. Adhering to a Foucaultian framework, however, it is understood that the relations between discourse and power are interactive and complex with the power between two or more parties continually shifting and neither one or the other having or exercising all of the power (Foucault 1977c; 1980).

According to neo-institutional theory, organisations that see themselves as part of a larger group of institutions with clear rules and boundaries for inclusion and exclusion to their group are more resilient to change from outside of this group (Di Maggio and Powell 1991; Zucker 1991; Grant et al. 1998; Wallemacqu and Sims 1998; Oswick et al. 2005). Highly institutionalised sectors, however, are usually exclusive (with strict rules for entry) and have a number of taken-for-granted practices that are resistant to change (Di Maggio and Powell 1991; Jepperson 1991; Zucker 1991). In keeping with neo-institutional theory, it is presupposed that the degree of institutionalisation of current structures and practices in community organisations affects their ability to exercise power in the face of changing discourses.

Institutionalisation in community organisations is, however, somewhat precarious, particularly at a ‘sector-wide’ level. In contrast to highly institutionalised sectors, which require high levels of entry criteria and hence exclude those who do not qualify (Di Maggio and Powell 1991; Jepperson 1991; Zucker 1991), community discourse supports strong ideologies of inclusiveness, flexibility and diversity (Everingham 1998; McDonald and Marston 2002b; McDonald and Marston 2002a; Onyx et al. 2002; Considine 2003; Leonard and Onyx 2004). Inclusiveness, flexibility and divergent practices among community organisations have resulted in a relatively incongruent group of organisations that are difficult to define and recognise as a sector even from within (Suhood et al. 2006). The increasing reliance of government on community organisations to provide services, coupled with a
change in discourse that has increased the centralisation of control of the types of services that can be provided, creates a dilemma for community organisations in terms of institutionalisation. The very nature of a community organisation’s role – that is, to meet needs specific to their community – means that practices tend to differ greatly from one community organisation to the next. Individual organisations tend to be territorial – protecting their niche within the community and a claim to localism (Sharp and Inwald 1988; Suhood et al. 2006), thereby making sector-wide practice difficult. While some level of institutionalisation may be required to ensure community organisations do not become little more than detached government departments, a highly institutionalised community sector would allow for less inclusiveness and leave little room for flexibility to meet community needs.

Disparities among community organisations have been further exacerbated by competitive tendering and fears that small community organisations will be ‘taken over’ by larger organisations (O’Shea et al. 2007). Conversely, common concerns regarding fear of ‘take-over’ or forced partnerships may also be assisting the sector (or sectors) to become more institutionalised (or exclusive) as they begin to define what is not included in their sector – such as their competitors or the larger organisations they fear (Suhood et al. 2006).

Despite their diversity, community organisations have some institutionalised ideology – with shared understandings of values, practices and identities (McDonald and Marston 2002a) – that are supported by community discourse. The new managerialist discourse is not, therefore, being introduced into a barren discursive environment but entering an institutionalised field where another discourse is dominant, notwithstanding the diversity within it. Drawing on the works of Foucault and neo-institutional theorists, it is therefore the contest of the discourses, the tensions that arise from this contest, and the subsequent impacts of institutionalised practice that are of interest.

Using neo-institutional theory, this research examines the extent to which community organisations are, and see themselves, as part of an institution, a sector or a group. The research analyses how institutionalisation, or the lack thereof, in the community sector influences the continued relevance and effectiveness of individual community
organisations. The research also analyses how the sector can work together to grow and keep individual community organisations relevant and effective without losing the flexibility and inclusiveness that is seen to define community organisations.

This research implements Critical Discourse Analysis (CDA) as the methodological framework to draw out and analyse tensions that arise from the contesting discourses. Using qualitative data from focus groups and interviews, this study critically examines emergent structures and practices of community organisations in NSW. The research critically examines the effects of the discursive shifts in the context of the quasi-market. In particular, this research examines the role of discourse in promoting and changing institutionalised practice. This will include: the extent to which the current changes in discourse have been ‘taken up’ by community organisations; the impact that adopting the new discourse has had on existing discourse and practice in community organisations, and; what this might reveal about their continued relevance and viability.

This chapter has outlined the thesis and its main premises. The next chapter presents a more in-depth description, analysis and discussion of the context in which this research is placed.
Chapter 2: Community Organisations at the Site of Changing Discourse

Chapter Introduction

The previous chapter introduced and outlined this thesis and the research presented herein. This chapter provides a more in-depth account of the context in which this research is situated.

Community organisations are now the site of changing discourses, where discourse is understood to be a pattern of language and practices, that define a particular frame for acting and interpreting the world. This shift in discourse was largely driven by the rise of neo-liberalism as the dominant political ideology. Neo-liberalist ideology and associated discourse has greatly affected economic and social policy and service delivery in NSW, Australia and in much of the western world.

The aim of this chapter is to outline and discuss the changes in policy and discourses in regards to the funding and regulatory relations between community organisations and government funding agencies. This chapter considers how these changes in policy and discourse might relate to corresponding shifts in power and practice.

In this chapter, the relevant literature is presented and reviewed. Firstly, a brief historical account of community organisations is provided to give an account of the context from which the changes occurred. The site of shifting discourses, and how changes in discourse and practice at a government level might be affecting community organisations, is then discussed. This chapter examines how these shifts are related – through the literature – to wider ideological and political changes. Ways in which these changes could affect the ongoing viability of community organisations and the interplay of power relations between community organisations and governments are then discussed. The chapter concludes by situating these changes in NSW, and Australian and international contexts.
The History of Community Organisations in Australia

In Australia, the ‘community management’ model was largely introduced and supported by state and commonwealth governments in the 1970s and 1980s, although some community organisations have been in existence much longer. Governments at this time supported the model to, purportedly, “empower communities” (Everingham 1998). In Australia, the community management model has been extensively endorsed by government funding arrangements. Most community organisations were funded on the basis of historical arrangements by means of ‘funding and performance agreements’. These agreements were largely ‘noninterventionist’, with few obligations on the part of the community organisation or specific demands from government in terms of what the funding could be used for. This funding was generally provided annually, with little variation from year to year (DoCS 2001; Keast and Brown 2002; Keast et al. 2006).

During the 1970s and 1980s, community organisations in Australia were also supported by legislation that removed some of the bureaucracy that for-profit organisations were subject to. In the 1980s, for example, legislation was introduced to allow community organisations to become incorporated (Associations Incorporation Act, NSW 1984)\(^1\) without the complexity or expense of becoming companies or registered cooperatives. This was based on an understanding that community organisations were different from for-profit organisations (DoCS 2001).

While supported by governments, community organisations in Australia have never enjoyed a high profile. Rather they have been positioned in what McDonald and Marston (2002b) call a “marginal and ambiguous position” (p. 376). They assert that community organisations in Australia have always had “a muted and vague quality” in “the national imagination” (p. 376).

The reliance community organisations have on government for funding and support has long resulted in an uneasy association:

Organisations which are earning 80–90 percent of their funds from the state have reached a level of dependency which makes them more part of

\(^1\) Available at http://www.austlii.edu.au/au/legis/nsw/consol_act/aiia1984307/
Furthermore, the lack of direct intervention of funding use, with few formalised processes beyond an annual agreement, may have in fact situated some community organisations in a more precarious position of power in relation to their government funders than they might have experienced had the conditions of the arrangement been more decided:

The ‘arm’s length’ model of social services provision through defined government sponsorship denoted a continued periphery policy stance and set the scene for ongoing and often contested and shifting relationships between government and community (Brown and Keast 2005 p. 509).

‘Traditional’ Community Discourse

Like most organisations (Di Maggio and Powell 1991; Jepperson 1991), community organisations are underpinned by ideals – or understandings – that inform who they are, what they do and who they do it for. Although there is great diversity among community organisations, most have based their objective, structure and practices on a loosely understood version of ‘community discourse’. According to some (McDonald and Marston 2002b; Warburton and McDonald 2002; Brown and Keast 2005), community discourse tends to value localism and face-to-face social relationships.

Onyx et al (2002) contend that 'diversity', 'flexibility' and 'responsiveness to community need' are highly valued in traditional understandings of community management. Considine (2003) identifies a common set of values that he categorised as based upon three core beliefs: ‘mutuality’, ‘fairness’ and ‘participation’. Furthermore, Macdonald and Marston (2002a p.4) cite beliefs “that the non-profit community sector is more flexible, responsive and participatory than other organisations in other fields” as examples of what they call ‘institutional myths’ in community organisations. ‘Community discourse’ also has a political underpinning – situated left of centre and informed by social libertarianism – having largely emerged as a resistant discourse in the 1970s, often in opposition to the ‘remote and bureaucratic’ state (Everingham 1998; McDonald and Marston 2002b).
Macdonald and Marston (2002a), drawing on the work of neo-institutional theorists, contend that common understanding of organisational behaviour and meaning assist individual organisations and the sector to survive.

**The Rise of a New and Dominant Ideology: Neo-liberalism**

As described above, in Australia, for much of the 1970s and 1980s, community organisations were supported by government at ‘arm’s-length’. This changed significantly in the 1990s with an increased dominance of neo-liberalist ideals in economic policy in Australia (Pusey 1991; Bell 1998; Jones and May 1999; Ramia and Carney 2000) and internationally, in most western nations (Barlow and Röber 1996; Bourdieu 1998; Kennett 2001; George and Wilding 2002). With the neo-liberalist economic regime permeating the globe, through the processes of globalisation and global institutions like the International Monetary Fund (IMF) and the World Bank (Bourdieu 1998; Kennett 2001) there was a comprehensive campaign to curb the role of the state in society, and increase the role of the ‘market’ (Le Grand and Robinson 1984; Pusey 1991; Bell 1998; Bourdieu 1998; Hudson 1998; Jones and May 1999):

> Stripped to its barest essentials, the ideology that drove these shifts [to neo-liberalism] asserted that government is the problem and that the marketplace is the solution (Hudson 1998 p. 453).

According to many (Le Grand and Robinson 1984; Sugden 1984; Greenway 1991; Le Grand 1991; Nowland-Foreman 1997; Nowland-Foreman 1998; Neville 1999; Meckstroth et al. 2000; Ramia and Carney 2000; Moore et al. 2002; Sykes 2006; Le Grand 2007; O’Shea et al. 2007), the adoption of neo-liberalist principles throughout the world has placed pressure on non-profit human services organisations. Neoliberalist ideals that inform the changes in the relationship between government and community organisations include: reliance on the marketplace; small government; individual responsibility; participation, and; mutual obligation. In line with these ideals, governments are directly and indirectly devolving responsibility for the administration of community and welfare services to private and non-profit organisations. Furthermore, many (Nowland-Foreman 1997; Nowland-Foreman
1998; Meckstroth et al. 2000; Ramia and Carney 2000; McDonald and Marston 2002b; Moore et al. 2002; Koonin 2008) report that the increased need for welfare and community services, as a consequence of neo-liberalist reliance on the marketplace, has in turn increased the need for service provision in many community organisations.

Discursive Policy and Practice – Shifts in the Discourse

From Ideology to Discourse: ‘National Competition Policy’ in Australia

In Australia, economic reform was very clearly articulated and written into policy, at Federal and state levels, in the form of the National Competition Policy agreements (NCP). NCP was agreed to and launched at the 1995 meeting of the Council of Australian Governments (COAG). The NCP is strongly informed by neo-liberalist ideology and specifically focuses on the relationships between governments and markets (Quiggin 1998; DoCS 2001). NCP is based on a neo-liberalist ideology that all organisations can be managed using basic corporate principles and hence it makes no distinction in how non-profit organisations operate in comparison with other types of organisations. As such, it is based on the premise that all non-core government activities should potentially be subject to competitive tendering (Quiggin 1998; DoCS 2001).

The managerialist discourse that supports NCP is based on the notion that all organisations – regardless of whether they are state, non-government or private organisations – can, and should, operate within similar structures and use similar mechanisms as those most commonly used in for-profit organisations (Jones and May 1999):

Managerialists tend to view management as a ‘generic, purely instrumental activity, embodying a set of principles that can be applied to public business, as well as private business’ (Painter as cited in Jones and May 1999 p. 387).
This has resulted in an expectation (from governments) that non-profit organisations establish management structures that emulate a for-profit model of organisation (Maddison et al. 2004; Keast et al. 2006):

[The] neo-liberal world view rejects the established partnership between NGOs and government in favour of a competitive model in which non-profits are encouraged to imitate the practices of for-profit enterprises (Maddison et al. 2004 p. iix).

**From ‘Funding’ to ‘Purchasing’: the Commodification of Community Services**

The quasi-market involved a shift to ‘privatising’ or ‘marketising’ the supply of community services (Le Grand and Robinson 1984; Greenway 1991; Le Grand 1991; Le Grand and Bartlett 1993). This shift is most clearly articulated in government policy discourse as a move away from ‘funding’ community services organisations to ‘purchasing’ the delivery of community services from these organisations (Nowland-Foreman 1998; DoCS 2001; Spall and Zetlin 2004a).

The change from ‘funding’ to ‘purchasing’ services was informed by the premise that all organisations should adhere to market principles (Jones and May 1999; DoCS 2001; ACSA 2008). ‘Purchasing’, rather than ‘funding’ commodifies service provision. As such, community organisations are required to demonstrate ‘value for money’ through the verification of service outputs and outcomes at both the tendering and reporting stages (Flack and Ryan 2003; Spall and Zetlin 2004a; Conroy 2005). This verification is achieved through a range of accountability measures that the government expects community organisations to adhere to in order to receive funds (Nowland-Foreman 1997; Ramia and Carney 2000; Flack and Ryan 2003; Maddison et al. 2004; Spall and Zetlin 2004a; Conroy 2005; Keast et al. 2006).

This change in discourse represented a significant change in the way governments interact with community organisations. Since the introduction of the NCP, Australian federal and state governments have been engaging in a ‘privatisation’ process whereby welfare services are being contracted out to the non-profit sector (Kirkland 2001; Carson 2003; Spall and Zetlin 2004a; Keast et al. 2006). Devolution of human services to non-profit organisations has involved ‘privatising’ and
‘marketising’ the supply of community services. Some (Greenway 1991; Le Grand 1991; Le Grand and Bartlett 1993; Considine 2003; Spall and Zetlin 2004a; Le Grand 2007) refer to these changes as ‘quasi-marketisation’. This marketisation has resulted in significant changes in the way in which the relationship between government and community sector providers is described and regulated (Ramia and Carney 2000; Spall and Zetlin 2004a):

Quasi-marketisation as applied to the welfare and community services industry involved the implementation of strategies such as commercialization of services and products, the introduction of quality improvement processes and benchmarking and the entry of for profit service providers to the industry. Other features of quasi-marketisation have included shifts to performance culture based on results and shifts to markets as the preferred form of governance (Spall and Zetlin 2004a p. 284).

Le Grand (1991) contends that: “they are ‘markets’ because they replace monopolistic state providers with competitive ones. They are ‘quasi’ because they differ from conventional markets” (p. 1260). Quasi-markets differ from other markets due to the organisations involved not necessarily being out to maximize profits, and the end consumer not usually being part of the transaction (Le Grand 1991; Le Grand and Bartlett 1993).

As outlined above, in the past, most non-government community services were funded on the basis of historical arrangements with ‘funding and performance agreements’ renewed annually, with little variation from year to year. Under the new arrangements the state acts as the ‘purchaser’ of services from community organisations, which are then delivered to the community (DoCS 2001). This represents a significant shift in ideology, policy, discourse and practice:

The movement away from a unified public service towards the development of quasi-markets based on the involvement of private firms and non-profit organisations can be viewed as the most radical change to state–society relations since the advent of the modern welfare state (Considine 2003 p. 63).

‘Purchasing’ rather than ‘funding’ would seem to reposition power relations between government funding agencies and community organisations. Under the previous funding model – which, as outlined above, was ‘arm’s-length’ – community organisations ‘decided’ the services that were required and then approached the state
for funding. Whether this was by default, with usually few specific funding conditions of any kind imposed, or by design, with community organisations being recognised as best placed to gauge the needs of their own community, is contestable.

What is clear is that with the introduction of the purchaser model, the government as the ‘customer’ is essentially in a position to ‘choose’ which services to purchase (Australian Council of Social Services 1997). The intention of this shift is clearly articulated in government rhetoric that refers to ‘steering’ the direction of service provision (Barlow and Röber 1996; Mendes 2003; Rawsthorne 2003; ACSA 2008):

The predominant ethos of public administration over the past decade and a half, with its catch phrases of ‘steering not rowing’, ‘purchasing not providing’, and so on, may have been directed at clarifying the role of governments but it has had the side effect of seeming to equate all other organizations, whether they be commercial contractors or not-for-profit entities or charities (ACSA 2008 p. 4).

Due to the nature of the ‘product’, the ‘seller’ (community organisations) usually only has one ‘choice’ of ‘buyer’ (government), whilst, on the other hand, governments often have a choice of a number of ‘sellers’ (community organisations) (Australian Council of Social Services 1997).

Purchasing models have the potential to de-emphasise the capacity of community organisations to connect with the community. In the past, community management committees operated on the assumption that their local knowledge and direct experience was central to the discovery and analysis of local needs. This local knowledge was seen to inform the design of services to meet these needs. ‘Diversity’, ‘flexibility’ and ‘responsiveness to community need’ were heavily emphasised terms that led many organisations to invest a high proportion of their organisational resources and practice in research, advocacy and community development activities (Onyx et al. 2002). Conversely, in the context of the emerging quasi-market, the discourse positions the community organisation as a ‘seller’ of services to an external purchaser, which is usually a government. As the sole purchaser, or ‘customer’ for these services, government agencies are theoretically responsible for defining needs and specifying the nature of services that they are prepared to purchase.

The perceived strengths of small organisations, such as being locally responsive, may therefore now appear as weaknesses (Onyx et al. 2002). As a ‘vendor’ of service
provision, members and staff of community organisations could have less involvement in the needs analysis of their community than previously. Management committee members, once valued for their connections with the community are susceptible to significant role confusion in a purchasing model where the government ‘steers’ and where connectedness to community may be no longer required (Australian Council of Social Services 1997; Nowland-Foreman 1998).

Consequently, despite community-managed services being favored by government National Competition Policy for their ability to respond flexibly to local need, and to develop and exploit ‘social capital’ (Australian Council of Social Services 1997; DoCS 2001; Kirkland 2001; Onyx et al. 2002; Leonard and Onyx 2004; Bryson and Mowbray 2005; Vigoda 2006), the explicit positioning of government as the ‘customer’ - a centralised purchaser - throws these traditional organisational practices into question.

This apparent shifting of power from ‘bottom up’ to ‘top down’ (Carson 2003) appears to contradict an economic doctrine that promotes less state intervention and more individual and community involvement and responsibility (Bryson and Mowbray 2005; Keast et al. 2006). There are also inherent contradictions in the context of a political shift emphasising ‘community’, which has chiefly been driven by the state and not the community. If the service needs are in fact being decided at a central level, this could have unintended consequences in service delivery. According to Our Community (2003 p. 25), for example; “many programs are destined to fail because they have not been developed with the participation of the people for whom they are intended”.

**New ‘Ways of Acting’: Managerialist Discourse in Practice**

Changes in discourse were applied at a practical level by an array of new practice expectations being imposed on community organisations from government. The NCP agreements were made in the context of micro-economic reform and national and internationals trends, and were underpinned by a managerialist discourse
emphasising efficiency and effectiveness (HRSC 1998; Ramia and Carney 2000; DoCS 2001; Flack and Ryan 2003; Keast et al. 2006).

NCP, and the associated managerialist discourse, have wrought changes in the practices of the government agencies that provide funding to community organisations. These changes are primarily characterised by mechanisms that emphasise community organisations’ accountability for measurable service outcomes (Carson 2003). These include: purchasing contracts, competitive tendering documents, and reporting and accountability measures (Ramia and Carney 2000; Keast et al. 2006):

Contractualisation and competitive tendering are part of an “agenda of managerialization which aims to make management the driving force of a competitively successful society (Clarke and Newman as cited in Ramia and Carney 2000 p. 62).

In line with the current ideological emphasis on market participation, many state authorities have moved towards more explicitly market-oriented practices (Ramia and Carney 2000; Keast et al. 2006). Previous funding agreements have been formalised into business partnerships through 'service purchase' agreements and funding contracts (Carson 2003; Maddison et al. 2004).

These changes have been characterised by mechanisms to ensure increased accountability for measurable service outcomes, such as business plans and performance indicators that are built into formalised contracts (Keast et al. 2006).

With these changes there has been an increase in the reporting and accountability expectations of community organisations by government funding agencies. These changes in expectations are reported to have greatly increased the pressure on resources in community organisations (Kenworthy Teather 1997; Nowland-Foreman 1997; HRSC 1998; Nowland-Foreman 1998; Neville 1999; Ramia and Carney 2000; Williams and Onyx 2002; Brown and Keast 2005; Madden and Scaife 2005; Barraket 2006; Keast et al. 2006). Kenworthy Teather (1997) discusses the tension between some of the roles and goals of non-profit organisations and neo-liberalism and the extra pressure that the retrenchment of the state and welfare services is having on non-profit organisations and their members. Koonin (2008) from the
NSW Council of Social Services (NCOSS), reported “high compliance costs relative to the funding levels of most NGOs” (Koonin 2008 p. 1). Koonin contends that this is threatening the ongoing capacity of community organisations and that “it is not surprising that much of the discussion is around survival” (p. 2). According to some (Onyx et al. 2002; Our Community 2003; Hough et al. 2006) the changes in expectations have led to demands for workers (paid and volunteer) with higher levels of skills and abilities. Legislative changes related to incorporation, public health, public liability and occupational health and safety (OH&S) have also been seen to put extra pressure on the resources of many community organisations (Onyx et al. 2002; Our Community 2003; Hough et al. 2006).

These requirements are part of a new ‘genre’ or “way of acting” (Fairclough 1995), sometimes described as the ‘new public management’, which is strongly informed by neo-liberal ideology and discourse (Barlow and Röber 1996; George and Wilding 2002; Carson 2003; Keast et al. 2006). This genre may be alien (or unfamiliar) to many community service workers and management committee members. Public management and managerial doctrines, if adopted, might impact on the way in which organisations operate. Some (Lyons 2001; Williams and Onyx 2002; Spall and Zetlin 2004a; Madden and Scaife 2005) have reported that the use of these instruments has increased the use of managerialist discourse and practices in non-profit organisations.

In ‘Odd Socks’ (a case study of community organisations) one organisation coordinator (as cited in Williams and Onyx 2002) describes a shift in organisational practice in the context of pressure to become more businesslike:

  We can’t just concentrate on client service stuff as there is a need to think about how the centre will be sustainable. That might mean developing a more commercial way of thinking (p. 65).

Whether changes in government policy and systems are forcing community organisations to become more businesslike and, if so, whether this is to their advantage or disadvantage, are questions that are ardently disputed in the literature. Some have raised concerns that organisations will be required to adopt managerialist systems and that this will affect organisational practices and organisational value bases (Australian Council of Social Services 1997; HRSC 1998; Nowland-Foreman
Some studies, in contrast, have found that organisations have been able to work within managerialist systems without significant change to organisational practices (Rawsthorne 2003; 2005) or value base (Spall and Zetlin 2004a; Conroy 2005). Rawsthorne (2005) found, for example, that many organisations appear to “deal with the contractual environment rather than accept it” (p. 238). Some also contend that an increase in managerialist practice and discourse in non-profit organisations is not only inevitable but necessary to build capacity in community organisations (Onyx and Dovey 1999; 2004; Rawsthorne 2005). Furthermore, they contend that a lack of efficient structure and practices has caused fragmentation within and among organisations (McDonald and Zetlin 2004; Spall and Zetlin 2004a; Conroy 2005). Still others argue that, while it is imperative to ‘learn’ to engage in the managerialist discourse to survive, community workers should go beyond simple engagement or adoption of this discourse to “re-assert issues of equity and social justice into the state’s political agenda” (Onyx and Dovey 1999 p. 187).

**The Discourse of Volunteerism in the Quasi-market Context**

One bastion of community practice that is said to be under threat is the continued role of volunteers in community organisations. In a ‘community model’ volunteerism has been one of the keys to ‘community representativeness’ (Leonard and Onyx 2004). New public management and managerialist regimes and other demands of NCP have created new tensions in managing volunteers. In community organisations there are two types of volunteers: volunteer management committee members and others who volunteer for specific aspects of service provision – although there is some overlap with volunteer management committee members sometimes also volunteering within the service (Leonard and Onyx 2004; Leonard et al. 2005) In the community discourse, it is the voluntary nature of the management, in particular, that is seen to set community organisations apart from other types of organisations (Nowland-Foreman 1997; Onyx et al. 2002; Leonard and Onyx 2004; Leonard et al. 2005).
The skill requirements and workloads of volunteers are increasing as regulations increase and demand grows (Our Community 2003; Hough et al. 2006). Our Community (2003), for example, found that as financial, legal and managerial responsibilities of not-for-profit management committee members increased, small community groups were finding it increasingly difficult to attract or retain members to revitalise their management committees and add new skills. Hough et al (2006) found that members were leaving committees due to the increased complexity of legislative changes and consequent fear of litigation.

This apparent difficulty in attracting and retaining volunteer management committee members appears to have been perpetuated by changes to funding and accountability. Many (Kenworthy Teather 1997; Putnam 2000; Woodward and Marshall 2004a; Barraket 2006; Hough et al. 2006; Nicholson et al. 2008) report that as: organisational accountabilities have become more complex, organisational liabilities more salient, and organisational performance more clearly linked to funding, members are leaving and potential members are declining to join. Hough et al. (2006) attribute declines in volunteerism to increases in liability and awareness of obligations – finding that volunteers in non-profit organisations have become more aware of the risks involved in volunteering.

Volunteers are an important link to the community and underpin the community participation claims of community organisations (Leonard and Onyx 2004). Volunteers are also said to provide significant channels for building individual and social capital (Leonard and Onyx 2004; O’Shea et al. 2007). As volunteers become less relevant and more difficult to recruit and manage, these important community connections could be lost (Onyx et al. 2002; Leonard and Onyx 2004; O’Shea et al. 2007).

There are, however, some inherent issues with volunteers. According to some (Onyx et al. 2002), in some organisations, volunteers and paid workers appear to be completing the same tasks. This may create difficulties in the management of worker conditions and responsibilities particularly as tasks become more complex. It also has the potential to devalue paid work and the services provided by community organisations more generally (Madden and Scaife 2005; Wagner and
Mlcek 2005). Wagner and Mlcek (2005) see reliance on volunteers as what they call a ‘paucity strategy’ to counteract ‘resource poverty’. They, and others (Madden and Scaife 2005) assert that use of volunteers perpetuates community discourse that community organisations are able to mobilise resources at less monetary cost than other sectors.

Furthermore, volunteerism is difficult to reconcile with the market model, and the principles of ‘managerialism’, which include an emphasis on ‘professionalisation’. With professionalisation, community organisations are encouraged to engage skilled, qualified workers to perform increasingly complex tasks.

Paradoxically, the ability of community organisations to mobilise volunteers is one of the features that influenced large scale devolution to the non-profit sector. NSW government funding has not increased in real terms for human services in the last ten years. Instead it is being devolved to the non-profit sector, representing a shift in focus from direct provision of human services through paid workers to a reliance on the non-profit sector who represent value for money due, in large part, to their ability to mobilise volunteers (Kirkland 2001).

Power Relations: The Survival and Relevance of the Community Model

Government rhetoric espouses the value of community organisations for their ability to promote community participation and build social capital (Australian Council of Social Services 1997; DoCS 2001; Kirkland 2001; Onyx et al. 2002; Leonard and Onyx 2004; Bryson and Mowbray 2005; Vigoda 2006). There are inherent contradictions, however, between promoting and supporting community participation when the quasi-market approach and the emphasis on managerialist discourse and practice could exclude many community members from participating.

Our Community (2003), while acknowledging that those with business skills and experience can add value to management committees, were concerned that the emphasis on increased efficiency might compromise an organisation’s core mission.
and undermine the community’s control. There is increased pressure on community organisations to conduct their business in a business-like manner. As a ‘vendor’ of service provision, community organisations are more likely to be subject to market forces and competition and to have less involvement in needs analysis of their organisation’s community than was previously the case (Australian Council of Social Services 1997; Nowland-Foreman 1998; Jones and May 1999):

> Holding voluntary organisations to tightly defined contracts and threatening (even if only implicitly) an increased capacity to withdraw and move funding around certainly reduces the power of voluntary organisations (Nowland-Foreman 1997 p. 16).

Another tension arising from community organisations being subject to market forces (albeit quasi) is that many community organisations are ostensibly in existence to pick up where the market has failed to provide quality, choice or value for a significant sector of the population (Australian Council of Social Services 1997; Keast and Brown 2002). If subject to the market themselves, organisations may in turn find it difficult to assist others who the market has failed. Furthermore, while, ‘de-regulation’ purportedly underpins liberalist market theory, in the context of the quasi-market, there appears to be a significant increase in the ‘regulation’ of the community sector with “government bureaucracies zealously controlling” (Our Community 2003 p. 25).

Theorists have reacted to the changes and conflicting discourses in a variety of ways. Some, such as Bourdieu (1998), contend that management discourse is designed to destroy collective models, like community management committees, in favour of market driven organisations. Others are most concerned about the potential increase in state control through the quasi-market and by the emphasis on managerialist practices. Nyland (1993) concludes that, as the emergence of community management was primarily a reaction against large scale, dehumanising bureaucracy, its success as a mode of service delivery “is predicated on its autonomy” (p. 136). Nyland (1993) contends, however, that autonomy is “simply incompatible with a control by external bodies such as the state” (p. 136). In contrast, it has been argued that this change in emphasis is largely rhetorical, since government agencies have always had funding control (McDonald and Marston 2002b; Considine 2003; Brown and Keast 2005). Furthermore, some commentators (Bryson and Mowbray 1981;
Martin 1985; Wilson Martin 1997; Everingham 1998; McDonald and Marston 2002b; McDonald and Marston 2002a; Bryson and Mowbray 2005) have questioned the inherent assumptions, supported by community discourse, of ‘empowerment’ of communities being achieved through community management.

**The Site of Changing Discourse**

Drawing on the literature outlined above, there are two competing and potentially contradictory discourses in contemporary Australia that can be seen to inform and attach meaning to the social practices of community management:

- The discourse of **community**, which emphasises participatory practices and volunteerism and often has an element of ‘anti-establishment’ and;
- The discourse of **managerialism**, which emphasises efficiency and is heavily influenced by neo-liberalist ideals concerning competition and the efficiency of markets.

The interplay of these discourses and the consequent changes in practice and shifts in power relations are the focal point of this thesis.

These shifting and competing discourses led to questions about the shift in power relations between government and community services. With significant devolution, theoretically, it appears that the focus of responsibility for the provision of community based services has shifted to the community, and this appears so in terms of accountability, administration and risk (Australian Council of Social Services 1997; DoCS 2001). Conversely, this increase in accountability may have coincided with a shift in power away from community organisations as local knowledge and connections become less relevant.

Although the discourses of ‘community’ and ‘managerialism’ appear to be contradictory, there may also be some level of co-existence of these discourses. This co-existence may be possible, in part, due to the discourses themselves being far from absolute (with contradictions apparent within each). Consistent with Foucault (1977c; 1980) the contest of discourses vying for power means that no one discourse
is completely dominant. To reconcile the contradictions in discourse, for example, Considine (2003) observed that people in non-profit organisations “now define their distinctive roles in comparative terms rather than as absolutes” (p. 70).

According to Darcy (1999), it is often difficult to translate the ‘discourse of community’ into social practices and, as a result, practices vary widely even to the point of contradiction. To view ‘community discourse’ and the discourse of ‘neo-liberalism’ and ‘managerialism’ as opposites is a false dichotomy. Some (Bryson and Mowbray 1981; McDonald and Marston 2002a; Bryson and Mowbray 2005) contend that many of the features and assumptions that underpin neo-liberalism can be comfortably situated in community management.

The community sector is positioned as the ideal site for meeting social need and constructing ideal citizens, while the state accepts an increasingly residual function (McDonald and Marston 2002a p. 6):

Darcy (2002) suggests that community management in Australia “creates a kind of discursive bridge between neo-liberalism and soft left communitarianism” (p. 33) and there seem to be many adaptations, reinterpretations and compromises apparent in the cohabitation of the discourses. Neo-liberal policy discourse emphasises individual and community responsibility and ‘participation’ (Greenway 1991; Le Grand 2007). ‘Participation’ is also an inherent value of community organisations (Australian Council of Social Services 1997) and the ideal of ‘community’ has been redefined in the discourse of the state (Darcy 2002).

Kenworthy Teather (1997) also refers to the interactions between discourses as do Our Community (2003):

The reality is that in Australia we live in a duality of markets and networks. This dual identity is central to understanding the importance of community groups in our society (Our Community 2003 p. 7).

**Social Democracy and ‘The Third Way’ as a Discursive Bridge**

In examining the co-existence of ‘community’ and ‘managerial’ discourses the ‘Third Way’ – touted by previous British Prime Minister Tony Blair provides a germane example. Blair’s government maintained many of the changes previously
implemented by Prime Minister Margaret Thatcher, which were strongly underpinned by neo-liberalist ideals (Lipset and Marks 2000). Blair, however, presented these policies as ‘socially democratic’ with some attempt by Blair to reintroduce a social agenda (Hain 1999). Social democratic and neo-liberalist discourses appear, however, to have some overlaps. Hain (1999) concedes that, in practice, differentiation between Blair’s ‘socially democratic’ policies and those of right-wing liberalists were minimal.

‘The Third Way’ has particular relevance to Australia. The previous Labor Leader of the Opposition, Mark Latham, espoused the Third Way ideologies (Latham 2001). The current Australian Prime Minister, Kevin Rudd, has adopted many policies that could be seen as socially democratic, liberal democratic or neo-liberalist. Politicians, on both sides of the houses of Australian federal and state parliaments, consider themselves ‘Liberal Democrats’ (Greenway 1991; Latham 2001; Keast et al. 2006; Le Grand 2007). Below, Keast et al. (2006) outline the social democratic position of Latham and other prominent Australians, which emphasises the government championing, at least rhetorically, for small government and community participation:

It is also held that an over-reliance on government was a barrier to social well-being as it would squeeze out community and personal initiative and create dependency (Latham, 1998, 2001; Pearson, 1999; Tierney, 1970). In this case there is a preference for less government and less interference with citizens in their pursuit of life chances (p. 6).

Bryson and Mowbray critique the writings of Adams and Hess, with Adams being an Executive Director in the Victorian Department for Communities in 2001, and Hess, his co-author (an academic):

They [Adam and Hess] state that ‘all states and territories have joined the Commonwealth in embracing community as a foundation for policy making and implementation’. They suggest that the international ‘rush back to the idea of community’ has such force it threatens to supplant both economic rationalism and the new public management underpinnings of contemporary government policy (Adams and Hess as cited in Bryson and Mowbray 2005 p. 95).

There appears to be little coincidence in the similarity of the names of the Third Way’ and the ‘Third Sector’ with: “partnerships, networks and social capital at the heart of Third Way politics” (Carson 2003 p. 91).
Hain (1999) describes Blair’s version of the ‘Third Way’ as ‘liberal socialism’ - a “decentralisation of power” through a “participatory democracy”. Hain (1999) argues that liberal socialism values individual freedom and empowerment and that to achieve individual liberty or greater equality there must be a decentralisation of power:

If we are to have economic justice and a broadly egalitarian society, each citizen must be empowered – at work, in the home, in the neighbourhood and as a consumer (p. 25).

Community organisations are thus seen to provide a conduit for this decentralisation of power and a mechanism for participatory democracy. Carson (2003) notes that: “the purported benefits of networks and social capital are being asserted, largely without criticism, as an underlying principle of Third Way politics” (p. 92). Some (McDonald and Marston 2002a; Bryson and Mowbray 2005) point out that community organisations also offer a convenient haven for the promotion and actualisation of neo-liberalist and conservative ideals:

Nostalgia renders ‘community’ a perennially attractive focus for government policies, and a conveniently conservative one (Bryson and Mowbray 2005 p. 100).

Fairclough (2000) discusses the description of the Third Way ideology as “enterprise as well as fairness”, with the word ‘fairness’ now used in preference to ‘equality’. Fairclough questions whether this new ‘social democracy’ is just a continuation of neo-liberalism with some of the Blair government’s own rhetoric appearing to support this. Stilwell (as cited in Carson 2003 p. 92) describes the Third Way as “neo-liberalism with a human face” and Hargreaves (1998 p. 30) notes that when a UK government Minister discussed the ideological underpinnings of the Third Way he quoted John Stuart Mill whom Hargreaves describes as the “father of British political liberalism”.

Macdonald and Marston (2002a) contend that tensions between traditional community beliefs and managerialism have created a niche that a new set of institutional beliefs are beginning to occupy. They contend that many of the newer terms such as ‘social capital’, are promoting neo-liberalist ideals disguised as socially democratic:
It is our contention that these ideas represent the articulation of a highly seductive set of legitimising rhetorics, reflective of and constituting the new institutional order of the field (p. 6).

The Third Way ideals redefine ‘citizenship’. Hudson (1998) argues that the new notion of citizenship – which is about participating in your community and helping others – supplants the previous concept of citizenship that included social rights for all citizens. According to Hudson (1998), the devolution of state services to the community sector in Britain meant that:

The social rights of citizenship were not to be enforced, only exhorted.
The social rights of citizenship did not exist (p. 455).

Hain (1999) also acknowledged this flaw in ‘social democracy’, in that there are no mechanisms to ensure that all citizens can participate when the ‘regulation’ of participation is left to the free market (including the non-profit sector) rather than the state.

The Increased Prominence of Community Organisations

The changes to discourse and practice could present some opportunities as well as challenges for community organisations. Although there is some evidence of the ‘deterioration’ of the relationship between government and some NGOs (Maddison et al. 2004) – and many community groups have problems with governance, limited resources, and their relationship with government (Our Community 2003) – there is also much evidence of the resilience of the management committee model and the growth and continued success of community organisations, despite these challenges (Wilson Martin 1997; Onyx and Dovey 1999; McDonald and Marston 2002b).

As mentioned above, some theorists, such as Bourdieu (1998), contend that management discourse is designed to destroy collective models, like community management committees, in favour of market driven organisations. In Australia, however, this does not seem to have occurred. Since the mid-1980s, governments have been slowly decreasing direct provision in a range of human service areas, with the expectation that the third sector will increasingly become more directly involved. As a result, community organisations are experiencing a time of unprecedented
growth, recognition and influence (Wilson Martin 1997; Everingham 1998) and have increased in quantity and prominence in the human services sector (McDonald and Marston 2002b).

It is less clear, however, whether the ‘community’ itself has gained or lost influence and power. Some studies in the United States of America (USA), for example, have shown that the growth of the community sector has coincided with increased linkages of ‘elites’ moving from the business and to the community sector (Moore et al. 2002), which would appear to contradict ‘community participation’ and ‘community empowerment’. Furthermore, although the sector appears to be thriving, many individual services are, reportedly, struggling (Australian Council of Social Services 1997; Madden and Scaife 2005).

According to some, (Sugden 1984; Everingham 1998; Onyx and Dovey 1999; McDonald and Marston 2002a; McDonald and Marston 2002b) the increased importance of the community management model provides an opportunity for community organisations to have more influence on social policy agendas and to strengthen the importance of civil society in the modern state:

In the context of neo-liberalism the language of community positions non-profit delivery of services as superior to state-provided services. Increasingly non-profit community services are centrally implicated in mediating the type and quality of relationship between the state and its citizen/subjects, and as such, are centrally implicated in the Australian version of the advanced liberal or neo-liberal democratic project (McDonald and Marston 2002b pp. 376-377).

Fairclough (1989; 1992; 1995) and others (Lemke 1995; Phillips et al. 2004) contend that discourse can empower or disempower groups, depending on whether the members in a community have the ability to interpret and use the discourse effectively. With substantial devolution of service provision, the state is now significantly more dependent on the community sector to provide human services. As such, community management committees should, potentially, be able to have more influence on social policy agendas. As the institutionally defined ‘weaker’ member of the collaboration, Onyx and Dovey (1999 p. 188) contend that, community management committees need to reclaim the community management model and develop a “critical consciousness” to successfully negotiate for and
represent their communities’ needs (Onyx and Dovey 1999 p. 189). Barlow and Röber (1996) contend that how the non-profit sector interprets and reacts to the changes in discourse will shape the public sector – “that the external environment [including the non-profit sector] will shape the internal management of the public sector” (Barlow and Röber 1996 p. 4).

As the non-profit sector increases in size, profile and importance and increasingly requires levels of business expertise and experience that may not be readily available in the community it serves - will community organisations become ‘lost’ to the community? And if they are ‘lost’ to the community, how might this change the nature of the services they provide?

**International Relevance**

With neo-liberalism having been largely steered and influenced by economic globalisation (Bourdieu 1998), its influence and effects are not unique to Australia. The effects of neo-liberalism have permeated the globe, particularly the modern economic states. While driven by the same economic ideologies, however, policy and practice contexts vary among nations (Kennett 2001; Bonoli et al. 2000b).

The English-speaking nations of the USA, The United Kingdom (UK), Australia, Canada and New Zealand, were world leaders in embracing neo-liberalist principles. English-speaking nations (particularly the UK and the USA) have led the trend towards the downsizing of the state and devolution to the private and third sectors (Bonoli et al. 2000b).

Much of Europe was slower at embracing neo-liberalism. Furthermore, the stronger socialist agendas in some European nations has softened some of the impact. Nevertheless, all western nations have moved away from the socialist left towards the conservative right of politics in terms of the economic and social policies (Lipset and Marks 2000; George and Wilding 2002; Bonoli et al. 2000b):

> It is no longer possible to say that the US is the only western society without a socialist party, because no such parties exist in most western
societies. American political exceptionalism has run its course (Lipset and Marks 2000 p. 26).

Over the past two decades, governments in Australia, the UK and New Zealand have implemented or supported neo-liberalist policies on markets, unionism and welfare (Lipset and Marks 2000; Scott 2000). However, there are some significant differences between the English-speaking nations. Tourigny and Jones-Brown (2001 p. 1), for example, describe Australia as a nation that remains ‘committed to a far sturdier social net than the United States ever allowed”. Furthermore, although Australia has adopted many policies and practices that are driven by neo-liberalist ideals (Bell 1998; Ellis 1998), overall, this has occurred at a slower and more cautious rate than in other English-speaking nations (Australian Council of Social Services 1997; Lipset and Marks 2000; DoCS 2001). Even within Australia, however, this has varied among states, with Victoria, under the previous Liberal Premier Geoff Kennett, adopting neo-liberalist policies and practices much more aggressively than other states and territories in Australia (Economist 1996).

This study is situated in the state of New South Wales (NSW), Australia. Although the trend to describe the relationship between government and community organisations in quasi-market terms is not confined to this state, or indeed to Australia, it is a contention of this thesis that what is happening in NSW is important in its own right in providing information at the local level, in addition to adding to wider knowledge at the national and international levels. NCP principles are clearly articulated into policy and funding documentation in NSW. The Department of Community Services in NSW, for example, now requires funded organisations to enter into ‘service purchase contracts’ (DoCS 2001), while the Department of Ageing, Disability and Home Care now operates a competitive tendering process for some services. Similar approaches apply to the management of social housing by community housing associations (Darcy 1999).

How the Research Addresses the Setting

This research is underpinned by a social constructivist epistemology. It examines the interactions between discourse and practice from an understanding that knowledge
and thus power are contestable. Of particular focus is an analysis of the shifting site of discourse and power and the impact that this has had on social practices and discourse in community organisations.

This chapter provided the context in which this research is situated. The next chapter will outline the theoretical positions of Foucault and neo-institutional theorists and how these theories inform the approach of this research.
Chapter 3 - The Theoretical Framework: Michel Foucault and Neo-Institutional Theory

Chapter Introduction

The previous chapter described the shifting discursive environment in which community organisations are situated, and identified the need for an examination of community organisations in the context of these discursive changes. The social, political and economic circumstances of community organisations at both the domestic and global level were also outlined in the previous chapter.

This chapter provides a description of the theoretical foundations that informed the research approach and questions.

This chapter discusses the work of Michel Foucault and the concepts of Neo-institutional Theory including: the relevance of these theoretical positions to community organisations in the context of discursive change; the shared assumptions between these two theoretical positions; and how these theories inform the methodological framework used in this research.

Michel Foucault and this Research

Foucault’s theories of power and knowledge and their ‘inter-connectivity’ inform this research. The work of Foucault was chosen as the theoretical foundation of this research because there is a strong connection between his work and what is occurring in relation to community organisations. Of particular relevance are Foucault’s theories regarding the inter-connections between knowledge and power; his assertion that the resurrection of ‘local knowledge’ can change power relations; and the mechanism of ‘bio-power’.

Foucault wrote extensively from the late 1960s to the late 1970s. During this time his focus underwent significant changes and developments. Of particular relevance to this research, and the current situation for community organisations, is Foucault’s
later work from the mid 1970s onwards, when he developed a clear understanding of the interrelationships of ‘truth’ (or knowledge) and power. Foucault’s theory of bio-power, in particular, provides a model for examining and explaining implicit social control – which some community organisations may be experiencing without being fully aware of the consequences. Foucault’s influence regarding the interrelationships of knowledge and power are apparent throughout this research; from the asking of the research question to the final analysis.

In the evolution of his ideas, Foucault has been described as a ‘Structuralist’ and also as a ‘post-structuralist’ (Harvey 1990). Foucault’s concerns regarding rationality and his concept of ‘truth’ in his later writing inform the post-structural principles that underpin this research. Foucault sees truth as being determined by what is seen as true rather than there being actual ‘truth’. For Foucault ‘truth’ and ‘knowledge’ are interchangeable as ‘truth’ is what is ‘known’ as true. To Foucault, what is known depends on a complex interaction between knowledge and power. The idea that reality is determined fits with the epistemology of social constructivism – that reality is experienced, not fixed (Harvey 1990). Foucault’s theories about the role of discourse in creating and maintaining (or not) institutionalised knowledge and power also provided a foundation for the neo-institutional theories (Jepperson 1991; Boden 1994; Oswick et al. 1997; Grant et al. 1998), which also inform the approach of this research.

The Influence of Neo-institutional Theory in this Research

The other theoretical position that informed this research was neo-institutional theory. Neo-institutional theory is influenced by and builds on Foucault’s theories. It is concerned with the process to ‘institutionalisation’, with institutionalisation being defined as a state of stability and sameness for an institutional field achieved through shared understandings and common practices. An institutional field can be: a group – including, for example, a family; an organisation; a group of organisations, or; an entire society.

According to neo-institutional theorists, institutional fields have “some common account for their existence and purpose” (Jepperson 1991 p. 147). In an institution,
there is some understanding of why practice exists and an expectation that they will continue (Jepperson 1991; Zucker 1991). Neo-institutional theory gives emphasis to the processes that structure actions and order. Of particular interest are how these common understandings – or the ‘shared systems of rules’ – both constrain and make actions possible (Di Maggio and Powell 1991). It is how things get to be institutionalised – the process of ‘institutionalisation’ – that is important (Zucker 1991).

Neo-institutional theory provided a relevant theoretical base from which to analyse the interplay of new and old discourses on common understandings in and between community organisations in the context of discursive change. While there is a significant theoretical connection between Foucault to neo-institutional theory, there are also other significant influences, such as Max Weber, which is why this theory complements and adds to Foucault’s work.

**Knowledge and Power: Power as a ‘Product’ of Discourse**

According to Foucault and neo-institutional theorists, ‘truth’, determined through dominant discourses, determines power. By ‘truth’ Foucault and neo-institutional theorists are referring to what is generally understood as true. They believe that what is understood as true is established by those who have the power to promote certain ideas or ‘facts’, rather than others, to their own advantage. Hence, while truth determines power, power also determines truth:

> We are subjected to the production of truth through power and we cannot exercise power except through the production of truth (Foucault 1976b p. 93).

Both Foucault and neo-institutional theorists are concerned with the interplay of discourse and power in establishing, maintaining and changing institutional fields (Foucault 1976b; Oswick et al. 1997; Grant et al. 1998; Phillips et al. 2004). Drawing on Foucault, neo-institutional theorists are interested in how institutionalisation processes privilege some groups and disadvantage others (Di Maggio and Powell 1991):
All institutions simultaneously empower and control (Jepperson 1991 p. 146).

[Discursive practices] do not just describe things; they do things. And being active they have social and political implications (Potter and Wetherell as cited in Grant et al. 1998 p. 2).

Of particular importance to this research, and especially its critical stance, are the interrelationships between power and discourse, or what Foucault refers to as ‘truth’. The view that there is a strong inter-relationship between truth and power forms the basis for Foucault’s later theories. This view also underpins the neo-institutional emphasis on the role of discourse in institutionalisation (Jepperson 1991; Boden 1994; Oswick et al. 1997; Grant et al. 1998; Phillips et al. 2004).

While community organisations appear to be disparate and somewhat disorganised as a group (Lochhead 2001); there is some level of acceptance of a common ‘community discourse’ (as detailed in Chapter 2). Macdonald and Marston (2002a) assert that community organisations have an organisational field; that is, they participate in and uphold a ‘common meaning system’:

The nonprofit community sector is considered to be highly institutionalised and to exhibit a particular mode of organisation. This is reflected within a framework of the 'rules of the game' which is widely believed to be an idiosyncratic sectorial [sic] (McDonald and Marston 2002a p. 4).

With the introduction of managerialist discourse in the context of the quasi-market (as detailed in the previous chapter), however, community discourse is under threat from external forces (McDonald and Marston 2002a).

**Social Constructivism, Foucault and Neo-Institutional Theorists**

The research questions in this study have been approached from a social constructivist epistemology. Drawing on Foucault’s work and neo-intuional theories, the research questions assume that ‘reality’ is socially constructed through discourse (Foucault 1977a). That is, that what is understood as ‘reality’ is shaped and influenced by our discursive practices and interactions (Oswick et al. 1997; Grant et al. 1998), and therefore that whoever influences these discursive practices
has the power to influence what we believe (Foucault 1976b; Foucault 1977a; Fairclough 1989; 2001):

In the end, we are judged, condemned, classified, determined in our undertakings, destined to a certain mode of living or dying, as a function of the true discourses which are the bearers of the specific effects of power (Foucault 1976b p. 94).

**Foucault and Social Constructivism**

What I am trying to do is provoke an interference between our reality and the knowledge of our past history. If I succeed, this will have real effects in our present history. My hope is my books become true after they have been written – not before (Foucault 1980 p. 301).

As this quote demonstrates, Foucault does not see reality or truth as fixed but as ever changing and contestable. As already discussed, to Foucault, truth is determined by power, as power is determined by truth. There is not, therefore, one truth (Foucault 1980). Foucault’s understanding of shifting reality is consistent with the epistemology of social constructivism. That is, that reality is socially determined rather than fixed or predetermined (Fairclough 1992).

When examining processes Foucault reminds us that what we discover is a phenomena for that time and place only, not a fundamental discovery for all times and places. He argues, however, that this does not make it any less valid or useful:

Nothing is fundamental. That is what is interesting in the analysis of society. That is why nothing irritates me as much as these inquiries [whether an aspect of theory is fundamental] – which are by definition metaphysical – on the foundations of power and society or the self-institution of a society, etc. These are not fundamental phenomena. There are only reciprocal relations, and the perpetual gaps between intentions in relation to one another (Foucault 1982 p. 247).

Foucault’s view of knowledge is that it is something that should be continuously evolving. If it is not, it is somehow being suppressed. When asked how he came to knowledge, Foucault responded he was “born to it” and that, “I try to get round the problem, to find something that is not part of knowledge but deserves to be” (Foucault 1975 p. 133). In reviewing his own writings, Foucault demonstrates his understanding of the fluidity of truth:

In a sense I know very well that what I say is not true. A historian could say of what I have said, ‘that’s not true’. I should put it this way: I’ve
written a lot about madness in the early 1960s – a history of the birth of psychiatry. I know very well that what I have done from a historical point of view is single-minded, exaggerated. But the book had an effect on the perception of madness. So the book and my thesis have a truth in the nowadays reality (Foucault 1980 p. 301).

While much of Foucault’s earlier work was influenced by structuralism, he later separated himself from the rigidity of structuralism, which was at odds with his understanding of ‘truth’, and has been generally considered a ‘post-structuralist’ (Fairclough 1992). Foucault argues, however, against disposing of rationality altogether “if one abandons the work of Kant or Weber, for example, one runs the risk of lapsing into irrationality” (Foucault 1982 p. 248). He also warns against the ambiguousness of rationality and the dangers of rational justification giving the example of Nazism (which Foucault considers ‘irrational’) being developed out of a rational argument of Darwinism:

If intellectuals in general are to have a function, if critical thought itself has a function, it is precisely to accept this sort of spiral, this sort of revolving door of rationality that refers us to its necessity, to its indispensability, and at the same time, to its intrinsic dangers (Foucault 1982 p. 249).

**Neo-institutional Theorists and Social Constructivism**

Neo-institutional theory also holds that reality is based on social interaction. According to neo-institutional theory, institutions only exist in so far as they are maintained by social interactions (Zucker 1991; Our Community 2003; Phillips et al. 2004):

Institutionalism invokes institutions as causes, so it necessarily emphasized both high social construction and high-order effects (Jepperson 1991 p. 153).

Neo-institutional theorists (Oswick et al. 1997; Grant et al. 1998) assert that specific discourses create a ‘mode of thinking’ that “directly implicates discourse in the social construction of reality” (Grant et al. 1998p. 2):

What we believe to be reality is shaped and influenced by discursive practices and interactions we engage in and are exposed to (Grant et al. 1998 p. 2).
Giddens (as cited in Boden 1994) believes that society is constituted through the “duality of structure” (p. 11). According to Boden (1994 p. 11), social institutions are produced and reproduced through “the essential recursiveness of social life, as constituted in social practices”.

According to Jepperson:

Institutionalism tends to be both ‘phenomenological’ and ‘structuralist … High constructedness denotes that the social objects under investigation are thought to be complex social products, reflecting context-specific rules and interactions (Jepperson 1991 p. 153).

Neo-institutional theory emphasises the social, and particularly the discursive, in the construction of reality. Grant et al. (1998), for example, report that their view of is influenced by: Foucault and his writings on power and knowledge; Gramsci’s writings on ideology and hegemony; and Habermas’ writings on ‘Communicative Action’.

**The Conditions of Possibility: What Can and Cannot be Uttered**

While knowledge and, consequently, power is established through an interplay of different knowledge or discourse, it is important to observe that it is not a level playing field. If, Foucault (as cited in Fairclough 1992) is “concerned with exercising power in the process of gathering knowledge” (p. 50) – it stands to reason that those with the power may have better techniques to gather and disseminate ‘knowledge’ that could sway the contest of knowledge.

According to Foucault (1976b), the more powerful or dominant may attempt to suppress knowledge to maintain their dominance. Foucault argues that many scientific institutions successfully limited knowledge to what could be scientifically verified through much of the 19th and 20th Centuries. Knowledge that could not be scientifically validated was ‘subjugated’.

One way in which knowledge, and hence power, is controlled is through what Foucault has described as ‘subjugated knowledges’. Foucault (1976b) contends that ‘subjugated knowledges’ (or controlled knowledges) “were concerned with a
historical knowledge of struggles” (p. 83) and that this knowledge was suppressed in the interests of those in control of the scientific or ‘qualified knowledges’.

Foucault (1976b) suggests that two types of knowledge were subjugated:

1. Historical contents – the ‘blocs’ that stop us from seeing (and hence critiquing) the historical content due to it being “disguised within the body of functionalist and systematising theory” (Foucault 1976b p. 82), and;
2. The suppression of local, ‘disqualified’ knowledge “beneath the required level of cognition or scientifi city” (Foucault 1976b p. 82).

Foucault contends that subjugating knowledge blocks critique. He maintains that critical analysis is only possible with the ‘insurrection’ of ‘subjugated knowledges’ (Foucault 1976b p. 83).

Neo-institutional theorists also take a critical stance on power. They are particularly concerned with the processes that result in practices becoming taken-for-granted and the institutions that sustain these taken-for-granted practices. Neo-institutional theory is interested in the process of organisations developing a social order or pattern that has achieved a certain state or property (Jepperson 1991), where ‘taken-for-granted’ practices are passed from one generation to the next (Di Maggio and Powell 1991; Jepperson 1991):

‘Institution’ represents a social order or pattern that has attained a certain state or property; ‘Institutionalization’ denotes the process of such attainment (Jepperson 1991 p. 145).

In keeping with Foucault’s subjugated knowledge theory, neo-institutional theorists contend that ‘actors’ performing highly institutionalised acts do so because to act in any other way would mean that their actions would not be understood by others in the ‘system’ (Jepperson 1991; Zucker 1991; Grant et al. 1998).

According to some neo-institutional theorists, some discourse in a given time and space can become so dominant – or ‘embedded’ – that no apparent overt textual activity is required to maintain behaviour. This is a state that they refer to as ‘institutionalisation’ (Jepperson 1991; Zucker 1991; Grant et al. 1998; Phillips et al. 2004):
Social knowledge once institutionalized exists as a fact, as part of objective reality, and can be transmitted directly on that basis (Zucker 1991 p. 83).

According to neo-institutional theorists, institutionalisation involves a level of ‘taken-for-grantedness’ or of unquestioned ‘realities’ (Di Maggio and Powell 1991; Jepperson 1991; Zucker 1991). It is not norms and values but taken-for-granted scripts, rules and classification that make up institutional fields (Jepperson 1991; Powell and Di Maggio 1991; Wallemacqu and Sims 1998). In highly institutionalised social patterns one does not take action. In these situations action can only be taken when one does not engage in the institutionalised action, by, for example, not shaking hands when it is the expected social norm. “One enacts institutions; one takes action by departing from them, not participating in them” (Jepperson 1991 p. 147).

Neo-institutional theorists Wallemacqu and Sims (1998) assert that ‘sense’ is often made in an unconscious taken-for-granted way: “the phenomenal world is ‘always, already’ impregnated with sense” (Wallemacqu and Sims 1998 p. 125). These taken-for-granted actions provide a way of making sense of the world:

Institutions are ‘taken for granted’, then, in the sense that they are both treated as relative fixtures in a social environment and explicated (accounted for) as functional elements of that environment (Jepperson 1991 p. 147).

This process of ‘sense-making’ can be conscious or unconscious. Jepperson (1991) argues that institutionalisation is higher if it is ‘taken-for-granted’ because if players are unaware of the institutionalised acts they do not question them. Practices can also be taken-for-granted if questioning is blocked by elimination of alternatives.

Understanding the process of how practices become taken-for-granted is important to neo-institutional theory from a critical perspective. Once institutionalised, existing taken-for-granted explanations are not questioned and need to be overcome before any other explanation can be accepted, or even considered - creating a strong resistance to intervention or change – once acts are taken-for-granted people in these institutional fields usually have little compulsion or capacity to change the understood acts (Zucker 1991).
Even institutionalised discourses are not fixed, however. Taken-for-granted assumptions can be challenged (Jepperson 1991; Zucker 1991). Foucault (as cited in McHoul and Grace 1993) sees discourse analysis as a ‘political practice’, aimed at evoking change, but argues that, for change to occur, we must first understand the current discourses. This fits with Fairclough’s conclusion that ‘commonsense’ assumptions (or naturalised discourse) require ‘denaturising’ before they are able to be critiqued (Fairclough 1995). As discussed in Chapter 2, Onyx and Dovey (1999) argue that workers and management in community organisations need to develop what they call a ‘critical consciousness’ to the discourse and its relationship to organisational practice.

The Productivity of Power and Discourse: Using Discourse to Exercise Covert Power

Foucault and neo-institutional theorists see power as ‘productive’. Foucault asserts that rather than solely dominating subjects, power ‘incorporates’ subjects: “it shapes and ‘retools’ them to fit with its needs” (Fairclough 1992 p. 50). He argues that if power was ‘repression’ only – “no” – who would obey?:

What makes power hold good, what makes it accepted, is simply the fact that it doesn’t only weigh on us as a force that says no, but that it traverses and produces things, it induces pleasure, forms knowledge, produces discourse. It needs to be considered as a productive network which runs through the whole social body, much more than as a negative instance whose function is repression (Foucault 1977a p. 119).

Neo-institutional theorists maintain that institutions are more likely to be ‘embedded’ when the instituted practices are linked to constraints seen to be socially exogenous, such as ‘moral authority’ or ‘law of nature’ (Jepperson 1991): “the fundamental process is one in which the moral becomes factual” (Zucker 1991 p. 83).

The institutionalisation of such processes, perpetuated by unquestioned discourse or ‘taken-for-granted’ assumptions, contributes towards achieving what Foucault (1976b) calls a ‘society of normalisation’ where power is achieved through the concepts of what is understood as ‘right’.
As power and knowledge (come to through discourse) are interrelated it stands to reason that if power is productive, then discourse is also productive in its capacity to generate power. An historical phenomenon, which Foucault coined ‘bio-power’ illustrates the productiveness of discourse. Bio-power was used to describe a phenomenon that occurred during the 1800s which coincided with, and perhaps made possible, the industrial revolution. Bio-power coupled new scientific knowledge to instigate a number of mass-public initiatives – particularly in the health arena (Foucault 1981). According to Foucault, bio-power surreptitiously increased the power of the state over the individual using science as its legitimacy. Scientific knowledge of what was previously seen as ‘personal’ (individual bodies and health) accompanied by mass public health initiatives, made the ‘personal’ public property. Bio-power achieved “the subjugation of bodies and the control of populations” (Foucault 1981 p. 140) by making “knowledge-power an agent of transformation of human life” (Foucault 1981 p. 265).

Unlike previous state control, which was explicit and based on sovereign rights, bio-power increased the state’s power over the individual through discourse under the guise of ‘public good’. According to Foucault, ‘bio-power’ increased the state’s power over individuals without the need of explicit force or threat. Foucault contends that this covert control was fundamental in the development and control of capitalism (Foucault 1981 p. 263).

The ability to control populations through discourse without overt force is significant in this thesis for a number of reasons. It centralises the role of ‘discourse’ (as opposed to more punitive measures) in social control. And yet, consistent with the interconnectedness of things, a strategy for overt control first became necessary due to an increase in discourse during the period of enlightenment when the absolute powers of the sovereign state were being questioned (Foucault 1981).

Secondly, the concepts of ‘bio-power’ allowed control to be exercised covertly rather than overtly - citizens could be controlled without their awareness. Foucault asserts that modern power’s “success is proportional to its ability to hide its own mechanisms” (Foucault as cited in Fairclough 1992 p. 50). The consciousness, or
not, of those within discursive systems of institution, the interplay of suppressed and dominant discourses, and their effects on power, are significant factors in both the suppression and resurrection of knowledge and power (McHoul and Grace 1993). This is why ‘denaturising’ common sense assumptions (Fairclough 1995) and examining the process of the institutionalisation of ‘taken-for-granted’ assumptions (Di Maggio and Powell 1991; Jepperson 1991; Zucker 1991) are important concepts in both CDA and neo-institutional theory.

In regards to community management, a concern is that the change in discourse at the state level and any associated increased acceptance of new ‘knowledge’ or ideological concepts such as ‘managerialism’ (detailed in the last chapter) may be changing discourse and practice in community organisations at an unconscious level. If tensions arising from the changes in discourse from the state are not recognised by workers and management in community organisations, the state could covertly gain more control over how organisations implement practice than if state controls were more overt.

Thirdly, and perhaps most significantly, the concept of ‘bio-power’ – that is, the use of discourse to enact social control – also provides a model for community and welfare provision to be used as a mechanism for social control. There is nothing really very new here, as many religiously affiliated charity organisations were first established as a form of social control and many government welfare agencies had (and many still have) very clear agendas in terms of social control (Murphy 2005). One such example was the removal of Australian Aboriginal and Torres Strait Islander children from their families, the victims of which are now commonly referred to as the ‘stolen generation’. Enacting this policy, which many Australians now view as an outcome of a shameful period in European settled Australian history, involved partnerships and cooperation between government and non-profit welfare agencies (HREOC 1997).

During the 1970s and 1980s the community sector grew significantly, in part, as an opposition or alternative to state social control on the premise that decisions regarding service provision were better made at the local level (Everingham 1998). Since the late 1990s, with governments beginning to ‘steer’ community service
provision (as discussed in detail in the last chapter), there has been more scope for community organisations to be utilised as mechanisms of social control. There is some evidence that the use of community services provision for the purposes of social control has increased. This is particularly evident in the employment and training sector where community organisations and other non-profits are monitoring clients’ compliance to government policy where non-compliance results in the loss of social security income (Raper 2000). More recently the previous federal government’s ‘initiatives’ in regards to Aboriginal families in remote communities in the Northern Territory (ABC TV 2007) demonstrate the use of health and safety rhetoric to justify a form of social control.

The ‘Iron Cage’

According to some neo-institutional theorists (Di Maggio and Powell 1991; Jepperson 1991; Zucker 1991; Grant et al. 1998), however, whatever the original intention of the discourse, once embedded these intentions might get lost in the process of institutionalisation. They contend that the higher the institutionalisation, the less likely that the organisation can change from outside or within:

In the long run, organisational actors making rational decisions construct around themselves an environment that constrains their ability to change further in later years (Di Maggio and Powell 1991 p. 65).

Weber (as cited in Di Maggio and Powell 1991) believed that the control of men in ‘bureaucratisation’ is so effective that they can become ‘imprisoned’ in what he referred to as an ‘iron cage’. Weber believed that once established, the momentum of bureaucratisation was irreversible (Di Maggio and Powell 1991).

Di Maggio and Powell (1991) believe that bureaucratisation has been achieved in both the state and in organisations. They, and others (Jepperson 1991; Zucker 1991; Grant et al. 1998), are interested in the ‘process’ of this bureaucratisation – or how things get to be seen as truth or institutionalised.

Weber (as cited in Di Maggio and Powell 1991) contended that bureaucratisation resulted from market and state competition and the need to control citizenry and
bourgeois demands for equal protection under the law. Di Maggio and Powell argue that while the bureaucratisation of the corporation and state has been achieved, structural change in organisations is now more driven by bureaucratisation itself than by its primary goals – competition and efficiency:

Bureaucratisation with other forms of organizational change occur as a result of processes that make organisations more similar without necessarily making them more efficient (Di Maggio and Powell 1991 p. 64).

Organisations are structured in an actual field by competition, the state or the professions:

Powerful forces emerge that lead them to become more similar to one another: (Di Maggio and Powell 1991 p. 65).

Institutionalisation therefore confirms and strengthens further institutionalisation. To arrive at shared definitions of reality, individual actors transmit an exterior and objective reality, while at the same time this reality, through its qualities of exteriority and objectivity, defines what is real for these same actors (Zucker 1991 p. 85).

This is relevant to the current research as it provides a possible explanation for both the continued dominance of capitalism and its culmination into an extreme version - neo-liberalism, and the contradictions of devolution of government service provision to counter bureaucracy in the name of efficiency, which has the potential to create new bureaucracies at the local level.

**Complexity of Discourse and Power: Contesting Knowledges**

If the government discourse in relation to community organisations is changing what is seen as accepted (or true) knowledge this could have significant consequences for community management. According to Foucault (1980), ‘power’ – which (as outlined above) is interrelated with ‘true discourses’ – can result in ‘domination’. Thus, through the control the discourse, governments might be seeking to control the community sector, which is a supposition that some commentators have alluded to (Maddison et al. 2004; Manning 2004; Hamilton and Maddison 2007).
According to Foucault’s work and neo-institutional theories of discourse and power; a change in discourse in the community sector could result in a change in power relations and hence increased domination of one party with the increased repression of another. This is particularly concerning as some in the community sector see their role being about addressing disadvantage and marginalisation that some (HRSC 1998; Neville 1999; Maddison et al. 2004) argue is caused by repression and domination (Maddison et al. 2004). If the sector itself is subject to repression, it could have difficulty providing an effective voice for others also dominated.

In accordance with the assumptions of Foucault and neo-institutional theorists, however, this research is based on the premise that the relationship between power and discourse is more complex than there being simply ‘the dominator’ and ‘the dominated’. According to Foucault (1977c), power does not exist in and of itself. Power is a shifting contest of knowledge and truth.

Foucault contends that discursive formations are made up of and constrained inter-discursive relations between this and other discursive formations, and furthermore, that the relations between discursive and non-discursive practices also contribute to the discursive formation (Fairclough 1992 pp. 42-43).

It is this ‘cluster of relations’ that constantly makes some knowledge more ‘true’ and hence, more powerful than other knowledge. These contesting discourses also contribute, however, to what is seen as true. In the community sector, despite concerns to the contrary (HRSC 1998; Neville 1999; Maddison et al. 2004), there does not appear to be a dominant government repressing a submissive community sector (Rawsthorne 2003).

While identifying or accepting the existence of dominant discourses, Oswick et. al. (1997), Foucault and later discourse theorists (including Bourdieu, neo-institutional theorists and Fairclough) recognise that a number of conflicting discourses vie for power rather than one discourse remaining absolutely dominant over a period of time. It is this contest of knowledge in which Foucault and later neo-institutional and discourse theorists are most interested (Foucault 1977a; Foucault 1977c; Foucault
1980; Jepperson 1991; Zucker 1991; Fairclough 1992; Boden 1994; Oswick et al. 1997; Phillips et al. 2004), as it is during this struggle that ‘truth’ and consequent power relations can change:

Discourse is not simply that which translates struggles or systems of domination, but the thing for which and by which there is struggle, discourse is the power which is to be seized (Foucault as cited in Fairclough 1992 p. 51).

Like Foucault’s other theories regarding knowledge-power relations, the effectiveness of ‘bio-power’ is also complex. Whilst the power is productive, this power only exists due to knowledge being known and accepted as ‘true’. The knowledge cannot exist without power and one feeds and maintains the other (Fairclough 1992 p. 50).

Community organisations are not empty vessels. As discussed in Chapter 2, there are a number of shared assumptions embedded in community discourse (McDonald and Marston 2002a). According to Foucault and neo-institutional theorists, new knowledge can only be created, interpreted and reinterpreted in the context of existing knowledge (Foucault 1976b; Jepperson 1991; Zucker 1991; Grant et al. 1998; Phillips et al. 2004). The example above regarding the tensions in welfare services engaging in practices that can result in clients having social security payments cut, has already seen one major service provider refuse to provide services under these terms, and many others are voicing their concerns (Raper 2000).

A ‘Return to Knowledge’: The Processes of Discursive and Institutional Change

Even established institutions, which may be considered highly institutionalised, are not completely impenetrable by social intervention or change (Jepperson 1991). Contradictions can become evident that challenge previously taken-for-granted ‘realities’. When ‘sense’ made in an unconscious taken-for-granted way is somehow challenged or questioned, a ‘crisis of interpretation’ arises where it is no longer possible to define something in the previously taken for granted fashion (Wallemacqu and Sims 1998):
[These contradictions] can force institutional change by blocking the activation of reproductive procedures or by thwarting the successful completion of reproductive procedures, thus modifying or destroying the institution (Jepperson 1991 pp. 152-153).

Wallemacqu and Sims (1998) observe that people within organisations often talk and joke about things that seem not to make sense. They engage in what Wallemacqu and Sims call ‘stories of lunacy’ to help them make sense of the social environment. These stories may help to expose taken-for-granted practices and assumptions.

As an example, Foucault observed a decline in the dominance of scientific knowledge in the later half of the 20th century. As a result of efforts to the make sense of the carnage of World Wars I and II, the civil/human rights movement, and associated discourses, gained influence from the late 1940s. From the creation of the United Nations Universal Declaration of Human Rights in 1948 (Ife 2001) the civil rights movement reached a peak in influence in the mid 1960s with the growth of ‘new social movements’. New social movements lobbied for civil or human rights often on single issues across social class (Maddison and Scalmer 2006). Debates raged on issues such as the western involvement in the Vietnam War, gay rights, Black Power and women’s liberation. During this time, ‘popular knowledge’, or “le saviour des gens” (Foucault 1976b p. 82) increased in prominence and validity. New, non-scientific voices such as Malcolm X and Martin Luther King, John F. Kennedy, Germaine Greer, Jo Freeman and Hillary Wainwright dominated the discourse. In conjunction with these ‘voices’ the ‘demonstration’ – from the passive sit-in to drama of setting oneself on fire – became new and effective discourses of the populace. It was from these movements that many community organisations began (Maddison and Scalmer 2006). Thus, anti-authoritarian discourses are a significant component of the discourse of community organisations.

These new anti-authoritarian discourses represented what Foucault calls ‘a return to knowledge’ or ‘a resurrection of subjugated knowledges’. Much of the protest in the 1960s was resistance against controlled knowledge and power. The new social movement discourse opened up knowledge, and the creation of knowledge, to the people. According to Foucault (1976b), “the tyranny of globalising discourse with their hierarchy and all their privileges of a theoretical avant-garde was eliminated”
As a result, historical contexts were rediscovered and previously ‘low ranking’, or ‘disqualified’ local knowledges remerged (Foucault 1976b). Foucault refers to this knowledge as ‘popular knowledge’ which he claims is:

Far from being a general commonsense knowledge, but is on the contrary a particular, local, regional knowledge, a differential knowledge incapable of unanimity and which owes its force only to the harshness with which it is opposed by everything surrounding it (Foucault 1976b p. 82).

Accompanying this ‘resurrection’ of submerged knowledges was a rise in critical discourse. With the rise of new social movements in the 1960s, there was what Foucault called a ‘genealogy’, which was the union of the scholar and the people. Thus, suppressed historical knowledge was revealed and ‘local’ knowledge was validated:

It is through the reappearance of this knowledge, of these local, popular knowledges, these disqualified knowledges, that criticism performs its work (Foucault 1976b p. 82).

These new ‘critical’ discourses are a result of the consciousness of what Foucault (1976b) called “the inhibiting effect of global, totalitarian theories” (p. 80) and a realisation that “the attempt to think in terms of a totality has in fact proved a hindrance to research” (p. 81). According to Foucault (1976b), this critical discourse had a “local character” separate from the more global systems of thought:

What this essentially local character of criticism indicates in reality is an autonomous, non-centralised kind of theoretical production, one that is to say whose validity is not dependent on the approval of the established regimes of thought (p. 81).

As discussed in Chapter 2, community organisations are situated in a shifting discursive environment. Macdonald and Marston (2002a) assert that community organisations are in a “highly contested environment” (p. 4) where ‘traditional institutional order’ is “under severe threat from a range of change factors in the external environment” (p.5). This environment of shifting discourse could provide an opportunity for the questioning of ‘taken-for-granted’ assumptions (Onyx and Dovey 1999; McDonald and Marston 2002a) and to engage in critical reflection of practice (Houlbrook and Losurdo 2008).
One of the phenomena this research examined was the effects of discursive change. With this discursive change, the interplay of discourse could potentially include some tension in the interpretation of different discourses. As Woodilla (1998) points out, conflict can occur when discourse is reinterpreted, when an ‘outsider’ interprets the word of one discourse in the context of the discourse(s) to which they belong.

Institutional fields can also experience internal change through what Jepperson (1991) labels ‘procedural rationality’ – a process of a social institution driving change by routinising it:

Rather, routine reproductive procedures support and sustain the pattern, furthering its reproduction – unless collective action blocks, or environmental shock disrupts, the reproductive process (p. 145).

In community organisations a whole genre of new accountability expectations that include increased amounts of paperwork, could potentially create an environment where new practices become routinised and hence eventually taken-for-granted.

**Neo-liberalism and the ‘Re-subjugation’ of Knowledge**

While in Foucault’s time, scientific discourse may in fact have been the most dominant discourse, later critical theorists such as Bourdieu (1998) argue that while there is a clearly still a dominant discourse, it is now largely concerned with the economic rather than the scientific. For example, for Bourdieu, ‘neo-liberalism’ and ‘globalisation’ are seen as instances of the current dominant discourse.

While the world may have experienced a period of a ‘return to knowledge’ in the 1960s and 1970s, however, by mid-way though the 1980s most of the western world was introduced to a new economic discourse mostly referred to as neo-liberalism (Carson 2003) (as detailed in the previous chapter). It seems that this new discourse has taken a similar form to the scientific discourse of the previous centuries where its dominance is such that it may suppress or subjugate alternatives. Certainly it is very entrenched in political and economic discourse, to the point, in this country, that in the 2007 Australian Federal Election the Leader of the Opposition2 (representing a

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2 Now the Australian Prime Minister, Mr Kevin Rudd.
party with socialist roots) described himself as a ‘fiscal conservative’ (Kelly 2007). This increased dominance of neo-liberalist ideology and associated discourse accord with Foucault’s assertion that the theoretical, political ‘avant-garde’ can artificially isolate or disregard “all the discontinuous forms of knowledge that circulate it” (Foucault 1976b p. 85).

There are also unambiguous moves from the supporters, and possible benefactors, of neo-liberalist discourse to market it as the only alternative with the most famous example being former British Prime Minister, Margaret Thatcher’s ‘There Is No Alternative’ policy platform (Ellis 1998). If a no alternative doctrine is believed, or no alternatives can be considered in the current discursive environment then this discourse would suppress other discourses. This fits with Foucault’s assertions that knowledge is suppressed in the interests of those who control the dominant discourses.

A number of discourses and subsequent power struggles seem evident in the community management field in the context of the quasi-market. As outlined in the last chapter, there are a number of different discourses, including ‘community discourse’, ‘managerialism’, and ‘neo-liberalism’. These discourses may be both conflicting and complementary, while each is vying for power and influence in the provision of community services. In the relationship between government funding bodies and the community sector there has been a clear change in discourse in the last decade. As outlined in the previous chapter, this change in discourse, largely instigated by government, appears to be influencing the discourse in community organisations. This may be due to the need for community organisations to engage in the discourse to obtain or maintain resources. If these discursive changes are not widely recognised or questioned, however, they could take on a status of ‘taken-for-grantedness’ and become embedded in organisational discourse and practice. For example, the change in discourse from ‘funding’ to ‘purchasing’ could co-opt community organisations, vying for sale in a competitive environment, into acceptance (inadvertent or overt) of the market-model as the ‘correct’ or even the ‘only’ model that should or can apply in community management.
Furthermore, in the context of discursive change, if historical context or ‘memory of struggle’ is suppressed, there may be a disconnection for some community organisations from their initial purpose. Many community organisations arose out of protest of suppressed knowledge and the dominance of the state (Maddison and Scalmer 2006). If local knowledge is suppressed, seen as irrelevant or no longer valid, then community organisations created from this knowledge may need to re-establish their purpose.

The suppression of local knowledge has the most direct relevance to community management. Community management, by definition, relies on ‘local’ community knowledge to ‘manage’. Many community organisations were established due to the perceived value of local knowledge (Australian Council of Social Services 1997; Everingham 1998; Hudson 1998; Neville 1999; Our Community 2003). Community organisations can also provide a vehicle through which local knowledge can be recognised and validated (Ife 2001).

There seems to be some attempt to ‘disqualify’ this local knowledge with the increased control of community management by the state (De Carvalho 2002). The ‘steering not rowing’ analogy seems to allow inconsequential purpose for local knowledge. Political rhetoric, which has touted the importance of community participation and responsibility (Reddel 2005) appears to be distinguishing local knowledge, this depends, however, on what is meant by ‘participation’. For example, ‘rowing’ that is providing service provision – might be seen to constitute participation.

**Di Maggio and Powell’s Structuralisation Hypotheses**

Di Maggio and Powell have studied and written extensively on non-profit organisations and the non-profit sector (Di Maggio 1987; Di Maggio and Anheier 1990; Powell 1997; Di Maggio et al. 2002). Di Maggio and Powell (1991) provide a framework from which to examine some of the effects of institutionalisation on power relations in community organisations. They assert that institutionalisation is
achieved through processes that make organisations more similar through a phenomenon they call ‘isomorphism’. They hypothesise that the greater the isomorphism, that is the more similarities among organisations, the greater the level of institutionalisation.

Di Maggio and Powell (1991) identify two types of isomorphism:

1. Competitive Isomorphism - which is most relevant to fields in which free and open competition exists
2. Institutional Isomorphism - where organisations must take into account other organisations

As detailed in Chapter 2, free and open competition is restricted in the quasi-market context with significant inter-dependence in the relationship between community organisations and government. As such, Di Maggio and Powell’s (1991) ‘institutional isomorphism’ hypothesis is of most relevance to this research.

Di Maggio and Powell (1991) identify three types of ‘institutional isomorphism’:

1. Coercive Isomorphism – stems from political influence and the ‘problem of legitimacy’
2. Mimetic Isomorphism – resulting imitating or sharing practices
3. Normative Isomorphism – associated with professionalism

According to Di Maggio and Powell’s hypotheses, there are distinct differences in the effect of isomorphism depending on the type of process and who is enacting it. Each of these mechanisms, and their possible effects and relevance to the current research, is outlined in detail below.

**Coercive Isomorphism**

According to Di Maggio and Powell, coercive isomorphism results from external pressures imposed upon an organisation by other organisations on which they are dependent. They argue that coercion might result in the coerced organisations
becoming more similar to the organisation imposing the coercion (Di Maggio and Powell 1991).

Coercive pressures do not need to be explicit. Di Maggio and Powell (1991) give an example of Neighbourhood Centres which are underpinned by the principles of participatory democracy, but often develop organisational hierarchies to gain support of donor organisations.

As discussed in Chapter 2, community organisations are at a site of discursive change where the dependence on government has become more salient with the formalisation of funding arrangements and procedures, including purchasing contracts and accountability measures. There has also been some concern voiced that high reliance on government funding might result in community organisations becoming mini-bureaucracies doing little more than the government’s bidding (Our Community 2003; Maddison et al. 2004).

Di Maggio and Powell’s hypotheses on coercive pressure are reproduced in Appendix 1.

**Mimetic Processes**

Di Maggio and Powell hypothesise that isomorphism can also occur through emulation of practices. They assert that high levels of ‘mimetic processes’ may either indicate that individual organisations are unclear on their own goals and objectives, and, therefore copy’ from others, or that they engage in mimetic practices as a pragmatic approach to dealing with limited resources (Di Maggio and Powell 1991).

There appears to be a high level of mimetic practices occurring in community organisations. Di Maggio and Powell, themselves, note that a higher level of structuralisation occurs through reciprocity of board members in community managed organisations than in other types of organisations. While Di Maggio and Powell assert that mimetic processes usually occur due to organisational uncertainty,
it may be an emphasis on ‘collaboration’ and ‘sharing’, seen as important features of community organisations (Wagner and Mlcek 2005), that promote mimetic processes.

It is important to be able to establish why mimetic practices are occurring in community organisations as there are distinctly different effects depending on the motive. If collusion is due to limited options, according to Di Maggio and Powell, this may weaken individual organisations or the sector. Conversely, collusion through setting up partnerships and networks can provide a more comprehensive and professional service and a more ‘whole of sector’ approach (Di Maggio and Powell 1991).

Di Maggio and Powell’s hypotheses on mimetic pressure are reproduced in Appendix 1.

**Normative Pressures – Professionalism**

Di Maggio and Powell hypothesise that strong ‘normative pressures’ – such as ‘professionalisation’ – increase isomorphism within a sector. They identify two important sources of isomorphism: qualifications through formal education; and legitimisation of a cognitive base through associations or growth and elaboration of professional networks (Di Maggio and Powell 1991).

The occurrence of professionalisation would appear, to be quite low in community organisations in which voluntarism and ‘life’ experience are highly regarded (Onyx et al. 2002; Leonard and Onyx 2004; Leonard et al. 2005; Wagner and Mlcek 2005). With changes to funding and accountability, however, there appears to an increase in the level of professionalisation in community organisations. According to Di Maggio and Powell’s hypothesis, this increase in professionalisation should strengthen an organisation’s resistance to change, including change from outside forces. The increased professionalisation, however, seems to be in a large part due to pressure from an outside force, namely the government funding agencies on whom organisations depend for resources. Rather than assist in resisting change, therefore,
increased professionalisation in organisations might be an example of change occurring due to coercive pressure.

Di Maggio and Powell’s hypotheses on mimetic pressure are reproduced in Appendix 1.

**Isomorphism and Community Management**

According to Di Maggio and Powell’s hypotheses, the higher the level of isomorphism, the more resistant organisations are to change. If the isomorphic pressures are coercive, however, the institutionalisation that occurs in organisations could be make them more similar to the entity on which they depend for resources. In the case of community organisations, their high level of dependence on government agencies could increase their vulnerability to coercive pressure. According to Di Maggio and Powell’s hypotheses; however, how effective the coercive pressure is depends on the level of institutionalisation already apparent in an institution.

Although community organisations appear to be disparate and somewhat disorganised as a group (Lochhead 2001) there is also some evidence of a common ‘community discourse’ (as detailed in Chapter 2). With increased regulation and ‘top down’ control in the context of the quasi-market, however, these commonly understood meanings appear to be under threat from external forces. According to Di Maggio and Powell’s hypotheses, if community organisations do not have sufficient normalisation processes of their own, they could become more institutionalised due to less resistance to ‘coercive pressures’ imposed by government funding agencies. If this occurs then the community sector could be become little more than an inflexible government-like bureaucracy.

Di Maggio and Powell’s hypotheses suggest that, in order to maintain ‘traditional’ values and avoid morphing into ‘mini bureaucracies’, community organisations should engage in a concerted internal campaign to achieve a strong level of internal isomorphism. The achievement of this, however, could potentially undermine some
of those same values, including flexibility, individual responsiveness, recognition of
difference, ingenuity, and the contribution of individual and groups.

Zucker (1991), for example, found that as institutionalisation increased, the
generational uniformity of cultural understandings also increased and that the greater
the degree of institutionalisation, the greater the resistance to change in cultural
understandings through personal influence: with total institutionalisation “the only
distinctive contribution an individual can make is in the skill and style of
performance” (Shibutani as cited in Jepperson 1991 p. 147).

Zucker (1991) further asserts that: “acts performed by actors exercising personal
influence are low in objectification and exteriority, hence low in institutionalization”
(p. 86).

Furthermore, institutionalisation has a tendency to foster bureaucratic practices. As
discussed above, Di Maggio and Powell argue that ‘homogenisation’ emerges out of
structuralisation of organisational fields. Institutionalisation confirms and strengthens
further institutionalisation where shared definitions of reality, define what is real
bureaucratisation, promoted in the name of efficiency and competition, has
overshadowed both. Neo-institutional theory therefore suggests that there is some
significant risk of loss if community organisations become more isomorphic through
internal pressures in a quest to guard against external pressure.

**From the Micro to the Macro**

The tiniest local moment of human intercourse contains *within* and
*through* it the essence of society, and vice versa (Boden 1994 p. 5).

How Foucault and the neo-institutional theorists understand the interrelationship
between the micro and the macro – with the micro being the ‘local’, and the macro
being the ‘global’ – also informs the approach to the design and research questions of
the present study.
Peri O’Shea                         Community Management in the Quasi-market

Foucault (1977c) argues that whilst macro power is exercised at the micro (or local level), the reverse also occurs “whereby strategies which co-ordinated relations of power produce new effects and advance into hitherto unaffected domains” (p. 200).

According to Foucault (as cited in Fairclough 1992), modern power is not imposed from above but developed from below through specific ‘micro-techniques’ or ‘practices’. Foucault (1977c) suggests that examination of processes that occur at the micro will help make sense of the macro:

Generally speaking I think one needs to look rather at how the great strategies of power encrust themselves and depend for their conditions of exercise on the level of the micro-relations of power (p. 199).

Foucault is concerned about the localisation of power, or power at its point of application. Foucault (1977b) believes that all micro systems have their own power relations which, while related to and necessary to the macro (or state) power relations, are separate from them.

Neo-institutional theory also allows examination of the micro to make assumptions about the macro (Jepperson 1991; Phillips et al. 2004):

Institutionalism, like any set of casual arguments, must be capable of providing ‘micro translation’ of its propositions, that is, samples of the lower level processes embodied in higher-order effects (in effect, statements about activities or behaviours of persons) (Jepperson 1991 p. 158).

**Foucault, Institutionalisation and Discourse**

As stated at the beginning of this chapter, this research is based on the premise that institutionalisation, and therefore power relations, occur through discourse. The neo-institutional theory used in this research, sees discourse as both constructing and supporting organisational structure (Jepperson 1991; Zucker 1991; Boden 1994; Oswick et al. 1997; Grant et al. 1998; Phillips et al. 2004; Grant et al. 2005; Oswick et al. 2005):

Organisations exist only in so far as their members create them through discourse. This is not to claim that organisations are ‘nothing but’ discourse, but rather that discourse is the principal means by which organisation members create a coherent social reality that frames their
sense of who they are (Mumby and Clair as cited in Fairclough 2005 p. 917).

Foucault (as cited in Fairclough 1992 p. 49) contended that non-discursive constraints “establish relationships between statements and institutions”. Foucault (1977a) coined the term ‘materiality of statements’ to describe how statements had particular status within certain institutional practices:

Truth’ is to be understood as a system of ordered procedures for the production, regulation, distribution, circulation and operation of statements (Foucault 1977a p. 133).

While most of Foucault’s writing is now three decades old, the connections he made between discourse and power remain relevant and are perhaps becoming more so. Foucault (as cited in Fairclough 1992) himself asserted that discourse maintains power in modern society more than at any other time in history. Even Foucault, however, could not have predicted the extent of the ‘information revolution’ which gives ordinary citizens unprecedented access to discourse at a speed and magnitude that was unimaginable at the time of Foucault’s writings: “In modern contemporary (late modern) society, discourse has taken on a major role in sociocultural reproduction and change” (Fairclough 1995 p. 2).

According to Fairclough (2000 p. 165), contemporary social life is ‘textually-mediated’ – “we live our practices and our identities through texts”. Contemporary society is characterised by a “compression of time and space” in that relations of power can be instantaneously enacted on a global scale (Fairclough 2000 p. 164).

The Theoretical/Methodological Framework: Foucault, Neo-institutional Theory and CDA

This study is concerned with how changes in discourse and practice at the government level have influenced existing discourse and practice within community organisations. The study is concerned with the interrelationships between power and discourse including the interplay of the changes in discourse with existing and new power relationships of community organisations. In particular, this study is interested in how changes in discourse and practices within and among community organisations affect the sense of who they are (Mumby and Clair as cited in Fairclough 2005 p. 917).
organisations have affected their capacity to operate in a way that is consistent with the values embedded in community discourse.

The theoretical positions of Foucault and neo-institutional theorists were chosen together with a CDA methodological framework because they provide a theoretical basis for critical analysis in the context of the discursive shifts in which the research is situated. Each can be related to the context and to each other in a way that is theoretically constructive. These interconnections are illustrated in Figure 2 below.

**Figure 2: The Research Framework**

The main premises of the theoretical and methodological framework of this research were:

- Foucault is central with strong theoretical connections to neo-institutional theory and CDA with his theories having strong relevance to community management in the context of discursive change;
• There is a link between community management in the current context of discursive change and all other aspects of the theory and methodological framework;

• There is a strong theoretical link between Foucault and CDA, and;

• There is a significant, theoretical link between Foucault and neo-institutional theory.

This chapter discussed the theories of Foucault and neo-institutional theorists. These theoretical perspectives informed the research question and approach. They have also provided the theoretical base for the methodological framework of CDA used in this study. The way that this methodological framework of CDA was used in this research and the methods deployed to enact the framework are detailed in the next chapter.
Chapter 4 - Actualising Theory: Methodological Framework and Method

Chapter Introduction

The previous chapter outlined the theoretical assumptions that informed the research approach and research questions. This chapter details the methodological framework used in this research, which is a form of Critical Discourse Analysis (CDA) most closely related to CDA as defined by Norman Fairclough (Fairclough 1992; 1995).

This chapter addresses how CDA relates to the theoretical positions described in Chapter 3 and why and how CDA was used as the methodological framework for this research. In addition, this chapter outlines the research methods used in this study.

In Chapter 3, a strong connection between community organisations, in the context of changes described in Chapter 2, and Foucault’s theories around power and knowledge and the connections to neo-institutional theory were established. Together, Foucault and neo-institutional theorists provide a strong theoretical base from which to analyse the effects of current changes in community organisations. In this study CDA has been chosen as the most appropriate methodological framework from which to analyse these changes due to its assumptions being based on the work of Foucault and consistent with the assumptions of the neo-institutional theorists used in this study.

From the Theory to the CDA Methodological Framework

CDA can be used to examine the ‘dialectic of structures and practice’ – the effects of discourse on social structures and practice and the effects of social structure and practice on discourse – and how these resolve to contribute to social continuity and social change (Fairclough 1998).
Fairclough asserts that his version of CDA is practicable in that it provides a methodological framework which is “linguistically-orientated” and is “theoretically adequate” that is underpinned by social theory and in particular the work of Foucault (Fairclough 1992 p. 38). He contends that his method of discourse analysis puts “Foucault’s perspective to work”. Fairclough (1992) sees CDA as a practicable and functional approach - “trying to operationalize [Foucault’s] insights in actual methods of analysis” (p. 38).

**Foucault’s Influence**

Many of Fairclough’s concepts and theories are strongly influenced by philosophies of Michel Foucault and his writings on knowledge and power (Fairclough 1992). The theoretical assumptions in Fairclough’s CDA – that discourse and social practice are interrelated – are underpinned by what Fairclough (1992) refers to as “[Foucault’s] view of discourse as constitutive – as contributing to the production, transformation, and reproduction of social life” (p. 41).

Fairclough (2005) declares that his approach to CDA builds on Foucault’s understanding of discourse to highlight the mutually constitutive interactions between social structure, discourse and social practice: “ ‘Discourses’ in a Foucaultian sense are for me elements of social practice” (p. 916).

Foucault’s assertions on the relationship between the discursive and non-discursive also inform Fairclough’s perspective of the relationship between discourse and practice:

Foucault refers first to the function of the discourse in a field of non-discursive practices …second to the rules and processes of appropriation of discourse …and third to ‘the possible positions of desire in relation to discourse’ (Fairclough 1992 p. 48).

CDA therefore provides a methodological framework to explore some of Foucault’s assumptions in the context of the discursive shift occurring in community organisations.
CDA and Neo-institutional Theory

There are important connections between neo-institutional theory and CDA which position CDA as an appropriate methodological framework to examine issues within the neo-institutional theoretical framework in the context of community management (as outlined in the previous chapter). Links between neo-institutional theory and Fairclough’s CDA methodology have been strengthened by dialogue and theoretical collaboration in both directions. The relationship between Fairclough’s CDA and neo-institutional theorists is both theoretical and practical. Between Fairclough and neo-intuitional theorists, there have been opportunities for two way dialogue – to share the contemporary, critical theorist stage (along with many others) - and, as such, each have found some value in borrowing ideas and theoretical perspectives from the other (Fairclough et al. 2002; Fairclough 2005; Grant et al. 2005). Unlike the theory-to-methodology relationship from Foucault to Fairclough, the theoretical informing between Fairclough’s work and neo-institutional theorists is ‘inter-relative’ (Phillips et al. 2004; Fairclough 2005).

Neo-institutional theorists emphasise the role of discourse in institutionalisation (Jepperson 1991; Boden 1994; Grant et al. 1998; Phillips et al. 2004; Oswick et al. 2005). Phillips et al. (2004) contend that discourse is an integral part in the process to institutionalisation:

Institutionalisation occurs as actors interact and come to accept shared definitions of reality, and it is through linguistic processes that definitions of reality are constituted (p.635).

Boden (1994) asserts that studying ‘talk’ in organisations is a fundamental way of understanding social order. Boden (1994) asserts that ‘talk’ structures organisations “by directly observing people talk their way through the business day, we can locate, quite specifically, the structuring of organisations” (p. 1).

According to Fairclough (1995), social actions tend to cluster in terms of institutions. He argues that, “a social institution is (amongst other things) an apparatus of verbal interaction, or an ‘order of discourse’” (p. 38).
Drawing on Foucault, both Fairclough and the neo-institutional theorists focus on the role institutions have in allowing and constraining discourse and, therefore social practice. According to Fairclough (1995 p. 38), institutions simultaneously ‘facilitate’ and ‘constrain’ social action. Woodilla (1998) argues that by using the filter of CDA: “Actual practices of talking and writing are seen to be constrained by broader social practices with structural and cultural implications” (p. 40).

This interaction between discourse and social structures highlights the appropriateness of using a CDA methodological framework to examine the effects of institutionalisation.

The Purpose of CDA

CDA aims to highlight the dialectical relationship between discourse and social structure. According to Fairclough (2005), for example, his “central interest in discourse [is] as an element in processes of social change” (p. 915).

CDA and Power

CDA seeks to uncover domination and exploitation:

Critical language theory is concerned with the social problematic of language and power. Critical linguistics seeks to uncover linguistic [or] discursive forms of domination and exploitation through a combination of linguistic analysis and textual analysis (Woodilla 1998 p. 39).

Of particular focus is an analysis of the changing relationships of power and the impact that this has had on social practices and discourse. As our ‘reality’ is shaped and influenced by our discursive practices and interactions (Grant et al. 1998), whoever controls of these discursive practices has the power to influence what we believe (Fairclough 2001).

Fairclough (1992) argues that discourse is of central importance in modern society and that the inter-relationship between knowledge and power makes the critical examination of discursive processes of paramount importance. Fairclough (1995) is
interested in how discourses create, reinforce and change particular power relations through social practice and social change.

CDA examines the inter-relationships between discursive formations in order to establish relations of power (Fairclough 1992). Fairclough (1992) contends that what happens ‘inside’ a discursive formation is dependant on the inter-discursive relations between this and other discursive formations. He asserts that discursive formations are highly constrained by these inter-relationships.

Following on from this, Fairclough (1992) argues once the interrelationships of discourse through the analysis of discursive practices are understood, the power relations in institutions become clear. This provides a rationale for discourse analysis in a critical form, i.e.; the critical analysis of discourse is an analysis of power relations.

Making the invisible visible

One of the functions of CDA is to make visible the interconnectedness of things (Fairclough 1995). Fairclough (1995) coined the term ‘ideological discursive formations’ (IDFs) to define ideology within social situations. He asserts that most social situations have a clearly dominant IDF. Fairclough argues that power is gained and retained through the control of IDFs. The controllers tend to support IDFs that suit their purposes. To retain power and support for a particular ideological position, groups or individuals in control of the dominant IDFs need to maintain the ‘order of discourse’:

The power to control discourse is seen as the power to sustain particular discursive practices with particular discursive ideological investments in dominance over other alternative (including oppositional) practices (Fairclough 1995 p. 2).

In highly institutionalised ‘orders of discourse’, the entrenchment of current IDFs – or institutionalised discourse and practices – it is difficult to gain power and/or to win acceptance for a different ideological position. To overthrow the existing IDFs, groups or individuals may need to create an environment of ‘intertextuality’ – or
what neo-intuitionalist theorists call ‘a crisis of interpretation’ (Wallemacqu and Sims 1998) – to bring the effects of the dominant IDF to light.

It is through making the invisible visible that critical analysis can occur. Fairclough (1995) defines his use of the term ‘critical’ as:

Linked to, on the one hand a commitment to dialectic theory and method ‘which grasps things… essentially in their interconnection, their concatenation, their motion, their coming into and passing out of existence’ (Engels 1976) and on the other hand to the view that, in human matters, interconnections and chains of cause and effect may be distorted out of vision (p. 36).

Fairclough argues that ‘distorted vision’ is due, in large part, to what he refers to as ‘commonsense assumptions’. These equate to the ‘taken-for-granted’ assumptions discussed in the previous chapter. Fairclough (2000; 2001) maintains that the control of discourse, particularly the dominant IDFs or naturalised background knowledge, greatly increases an individual’s or a group’s power within networks of social institutions due to the general acceptance of these IDFs as ‘truth’ or ‘commonsense’.

According to Fairclough (1995), commonsense assumptions require ‘denaturising’ before they are able to critiqued. Fairclough (1995) sees that CDA has an important role in “denaturalising” naturalised ideologies. According to Fairclough (1995), ‘denaturalisation’ occurs through “sharing how social structures determine properties of discourse and how discourse in turn determines social structures” (p. 28).

The use of CDA to make the invisible visible corresponds with both the theoretical perspectives of Foucault and the neo-institutional theorists. Foucault refers to the need for ‘subjugated knowledges’ to be ‘resurrected’ before they can be critiqued, whilst neo-institutional theorists stress the role of the ‘taken-for-granted’ in unquestioned institutionalised behaviour.

The analysis of discourse – through denaturalising commonsense assumptions or making the invisible visible – CDA aims to expose naturalisations and make clear the social determination and effect of discourse that participants in a particular social situation may not be conscious of. This allows for ideological critique not just by researchers but by players in social institutions – empowering local knowledge and
making possible Foucault’s ‘genealogy’, or the union of the scholar and the people (Foucault 1976b).

The Mechanisms of CDA

As discussed above, discursive events are “simultaneously a piece of text, and an instance of social practice” (Fairclough 1992 p. 4). Studying discourse provides a way of attaching meaning to social situations and the world in general. To do this, CDA is concerned with specifying how different genres, different discourses, and different styles are articulated together in particular sorts of relationships to maintain and change social practice. Fairclough (1995) argues that discourse is set in: genre (ways of acting), styles (ways of being), and; social practice.

- **Discourse** refers to how people use text to represent the world, including themselves and their productive activities.
- **Genre** refers to the role of text – recognised types of communication (Phillips et al. 2004).
- **Styles** refer to how the text figures in the identification of people involved in the practice or the construction of identities, with different styles attached to different identities.
- **Social practice** is the production and reproduction of social life and within social interaction (Fairclough 1995).

Discourse and, therefore, social practice, can be relatively fixed in a moment in time or fluid. Fairclough (2000) uses the term ‘order of discourse’ to refer to fields that are relative permanencies specifically in terms of these articulations within the moment of text and the term ‘intertextuality’ (or inter-discursivity) to refer to the shifting articulations of genre, discourse and styles in specific texts.

In practice CDA methodological framework looks at:

a) the relations between the texts – the ‘intertextuality,’ and;

b) the relations between different types of discourse (or discursive formations), the ‘inter-discursivity’.
To examine this, CDA deploys three basic constructs:

1. Text and the study of ‘texture’;
2. Discoursal practices and the concept ‘orders of discourse’;

In this research, in the context of intertextuality (or discursive change), how old and new orders of discourse are inter-related is of interest. These constructs therefore form the basis of the methodological framework of this research.

To examine these constructs, CDA has a three dimensional framework with the aim being to map the three separate forms of analysis onto one another. The three dimensions are:

1. Analysis of spoken or written language texts;
2. Analysis of discourse practice (processes of text production, distribution and consumption), and;
3. Analysis of discursive events as instances of sociocultural practice (Fairclough 2000).

This study uses this methodological framework to analyse spoken texts in the context of discourse practice and discursive change.

Hidden Text: What is Not or Cannot be Uttered

In the context of Foucault’s contention on subjugated knowledges and neo-institutional theories on ‘embedded institutionalisation’ (Jepperson 1991; Phillips et al. 2004) it is important to analyse what is not in the text – what is missing or understated. Statements position people who utter them and who receive them in specific ways:

The social subject that produces a statement is not an entity which exists outside of and independently of discourse ...but is on the contrary a function of the statement itself (Fairclough 1992 p. 43).

CDA provides a methodological framework where relative foregrounding and backgrounding of explicit textual content can occur (Fairclough 1995). Implicit
content can provide valuable insights into what is taken as a given – including pre-constructed knowledge. Analysis of the implicit also allows ideological analysis of texts, as ideologies are generally implicit assumptions (Fairclough 1995).

Fairclough (1995), therefore suggests four dimensions of participants’ pre-constructed “knowledge base” or background knowledge including ideological elements, which CDA needs to consider:

1. Knowledge of language codes;
2. Knowledge of principles of norms of language use;
3. Knowledge of situation, and;

The methodological framework of this research considers participants responses in the context of their background knowledge.

**Rules of Formation: What Can and Cannot be Uttered**

In seeking to define 'discourse', van Dijk (1997) recommends that a study of discourse " should include … who uses language, how, why and when" (pp.2-3). Fairclough (1992) uses Foucault’s ‘rules of formation’ to analyse what can and cannot be uttered and why. The four elements of the rules of formation are:

- The rules of formation of ‘objects’ – where objects are seen as ‘objects of knowledge’;
- The rules of formation of ‘enunciatative modality’ – the conditions that allow and/or disallow the possibility of statements including the ‘subject position’;
- The rules of formation of ‘concepts’ – categories, elements and types within a discipline or ‘order of discourse’, and;
- The rules of formation of ‘strategies’ – theories or themes.

Enunciatative modalities are types of discursive activity that have their own associated subject positions. ‘Teaching’ is an example of an enunciatative modality which positions subjects as ‘teacher’ or ‘student’:
The rules of formation for ‘enunciative modalities’ are constituted for a particular discursive formation by a complex group of relations (Fairclough 1992 pp. 43-4).

Only certain possibilities can be suggested within the rules of formation of context and subject and only some of these possibilities can be realised within the rules of strategies. “The rules for the formation of ‘strategies’ determine which possibilities are realized” (Fairclough 1992 p. 48).

**CDA and the Present Research**

Community organisations are at a site of conflicting discourses, where discourse is understood to be a pattern of language and practices that define a particular frame for acting and interpreting the world.

Foucault (1976b; 1977a) defines discourse as specific ‘bodies of knowledge’ that determine social practices. According to Foucault (as cited in McHoul and Grace 1993), ‘discourse’ both constraints and enables practice. Fairclough (2000) asserts that the control of discourse greatly increases a group’s power within networks of social institutions. Like Foucault and neo-institutional theorists, Fairclough sees the relations between ‘fields’ (defined as ‘networks of social practice’) as important in the distribution of power.

CDA is used in this research to examine the ‘dialectic of structures and practice’, effects of discourse on social structures and practice, the effects of social structure and practice on discourse and how these resolve to contribute to social continuity and social change.

Of particular focus is an analysis of the changing relationships of power and the impact that this has had on social practices and discourse. According to Fairclough (1989; 1992; 1995; 2000; 2001), changing relationships of power affect how discourses are structured in a given order of discourse. CDA provides a mechanism to examine the ways discourses “enact, confirm, legitimate, reproduce, or challenge relations of power and dominance in society” (Van Dijk 2001 p. 353).
This research critically examines the discursive change in the relationship between government and community organisations. It uses CDA to examine the interplay between seemingly contradictory discourse and practices. It appears, for example, that despite community managed services being favoured by government for their ability to respond flexibly to local need, and to develop and exploit ‘social capital’ the explicit positioning of government as ‘customer’ - a centralised purchaser - throws these traditional organisational practices into question.

Organisations whose structure and functions were developed within a discourse of community and civil society are now dependent on funding based on a managerialist market driven discourse. The resilience of the management committee model, despite the evident challenges, is thus of great interest. In particular, the use of the language of purchasing and contracting, and associated accountability practices, may have raised a series of dilemmas for organisations in this sector that have traditionally based their organisational structure and practices on participation of, and accountability to, client groups and the local community.

In the study documented in this thesis, CDA provided a mechanism to make inferences about domination and power through exploring dominant discursive and non-discursive practices. This includes an examination of: what can be said and what cannot; what is said and what is not; who can speak and who cannot speak; and who does speak and who does not, and; whose desires are realised and whose desires are overlooked.

**From the Micro to the Macro**

In performing CDA, Woodilla (1998) emphasises the importance of the micro revealing “how language used in everyday interactions enacts dominant structural and cultural organizational arrangements” (Woodilla 1998 p. 40). Woodilla (1998) asserts that the micro has an important role in creating the macro and, as such, its analysis is critical:
A critical reading of the text of the transcript examines processes of local production and interpretation of meaning, and ways in which these are indebted to broader institutional practices (p. 40)

Fairclough’s (1995) critical approach to discourse analysis sees macro structures as the conditions for the products of the micro. Like in so much of Fairclough’s CDA, here is an echo of Foucault – in this case, Foucault’s emphasis on the importance of ‘local knowledge’ in ‘resurrecting subjugated knowledges’. As discussed in Chapter 3, Foucault (1976b) believed that the combination of ‘erudition’ and resurrected ‘local knowledges’ allowed for critical discourse. By ‘local knowledges’ Foucault (1976b) was referring to unscientific knowledge or ‘popular knowledge’ (le savoir des gens), “a particular, local, regional knowledge, a differential knowledge incapable of unanimity” (p.82).

Foucault (1976b) was therefore concerned with the process of power at the micro level:

Let us not, therefore ask why certain people want to dominate, what they seek, what is their overall strategy. Let us ask, instead, how things work at the level of ongoing subjugation, at the level of these continuous and uninterrupted processes which subject our bodies, govern our gestures, dictate our behaviours etc (p.97).

As discussed in the previous chapter, neo-institutional theory also allows examination of the micro to make assumptions about the macro (Jepperson 1991). Fairclough (1995) argues that his CDA rejects rigid barriers between the study of micro and macro. He maintains that this is what sets CDA apart from the non-explanatory and only locally explanatory framework of ‘descriptive’ work in [non-critical] discourse analysis. Fairclough (1995) insists that discourse analysis should not focus entirely on either the micro-level of individual texts and interactions, or on the macro-level of discursive formations and their connections to social structure and practice. Rather, analysis should be multi-dimensional, progressing from analysis of discourse practices at macro and micro levels.

While community organisations have greatly increased in prominence and number in Australia over the last few years (McDonald and Marston 2002), little research has occurred at the micro level to determine the implications of the continued devolution
of responsibility to the community sector. Most analyses of community organisations have focussed on their structural role in relation to the capitalist state or their day-to-day practices.

**Method**

This research applied CDA, within the framework of neo-institutional theory, to examine data from ‘conversations’ with workers in community organisations in NSW, Australia.

The project builds on existing research, to maximise the insights into the research questions by using intersecting methods. A recent study of eleven agencies by industry partner Local Community Services Association (LCSA) (Williams and Onyx 2002) provided a useful starting point for the current research. Not only did this project identify issues needing further investigation, but it also acted as a pilot for suitable methods. Given the particular situations of different types of organisations and the time constraints on staff and management committee members in community organisations, focus groups and interviews – both telephone and face-to-face – were found by Williams and Onyx (2002) to be the most successful methods. These approaches will be employed in this project. Fairclough (1992, 1995) calls for a mode of discourse analysis which combines the macro-focus of Foucault with a micro-focus on actual texts and social practices and they ways in which they are produced and interpreted. This ‘textually oriented discourse analysis’ is said to strengthen social analysis by relating general theories about social change to the actual mechanisms and effects of change in social practice. In other words, it is a means of grounding theories of social structure and social change in the experience of those who participate in them, and potentially providing a basis for ideological critique of dominant discourses and hence for social change. The methodology for this project includes two intersecting data collection methods:

- Focus groups, and;
- Semi-structured Interviews – either via telephone or face-to-face.
How Participants were Sought and Selected

Participants were sought via the distribution of a flyer (Appendix 2) through the industry partner’s LSCA membership base, and newsletter, and; through the researcher’s own networks. Those who responded to the flyer or direct communication were sent an Expression of Interest (EOI) Form (Appendix 3). This EOI provided some demographic information about the interested organisation including the location of the organisation, the number of staff, details on government funding, and; whether there had been any changes in the organisation in the past five years. This information allowed the researcher to choose participants appropriate to the goals of the study. This EOI form was further supported by a letter of endorsement from LCSA (Appendix 4). To assist in the organisation of focus groups, LCSA also provided the researcher a list of email contacts for the organisers of forums or interagency meetings. The email which was sent to interagency organisers is contained in Appendix 5. The researcher had some ‘insider’ status having worked in the community sector for almost 10 years. This assisted in gaining the participants’ interest in participation and their trust in focus group and interview situations.

Focus Groups

Four focus groups were held between October 2004 and June 2005. These focus groups provided a data set in their own right which is presented and analysed in the following four chapters along with the interview data. The focus group data was also used to inform the general direction of the interview questions.

Two of these focus groups formed part of the agenda of existing forums whilst the other two were arranged, and held separately from any other meeting. The focus groups varied in size from six to ten participants (mean = 7) with 29 participants in all. Participants included representatives from Neighbourhood Centres, Migrant Resource Services, Youth Services, Community Health Services, Community Preschools, Counselling Services, English Language Services and Family Support
Services. Four of the participants represented their organisation as volunteer management committee members, with the rest being paid staff.

Most of the participants represented community managed organisations, which was the target group of the research. At the existing forums, however, where attendance could not be controlled, there were four representatives from local and state governments. As regular members of these forums, these representatives had a respectful relationship with the target group, and did not noticeably stifle free dialogue. Nevertheless, because this study examines the effects of the interplay of shifting discourse on community organisations specifically, the comments of these incidental participants were omitted from the data sample and analysis.

Table 1 provides details of the focus group sample.

The focus groups involved semi-structured discussion. Broad questions were asked about changes, frustrations and strategies with the facilitator only interjecting to introduce a new topic or qualify a point. The information sheet and discussion points for the focus groups that were sent to participants prior to the group are provided in Appendices 6 and 7. The general purpose of the focus groups was to get a broad overview of the issues from a larger sample. These key issues contributed to the interview schedule and were further examined through the more in-depth semi-structured interviews with a smaller sample.
Table 1: Focus Group Participants

<table>
<thead>
<tr>
<th>Focus Group 1</th>
<th>Type of Service</th>
<th>Community Organisation?</th>
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<td></td>
<td>Neighbourhood</td>
<td>Y</td>
<td>S</td>
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<td></td>
<td>Youth Service</td>
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</tr>
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<td></td>
<td>Family</td>
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<td></td>
<td>Neighbourhood</td>
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<td>Youth Service</td>
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<td>S</td>
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<td>Government</td>
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<td>Government</td>
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<th>Type of Service</th>
<th>Community Organisation?</th>
<th>Staff (S) or Management Committee Member (MC)</th>
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<td></td>
<td>Migrant</td>
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<tr>
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<td>Migrant</td>
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<td>MC</td>
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<tr>
<td></td>
<td>Childcare</td>
<td>Y</td>
<td>S</td>
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<tr>
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<td>Migrant</td>
<td>Y</td>
<td>MC</td>
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<th>Staff (S) or Management Committee Member (MC)</th>
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</thead>
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<td></td>
<td>Migrant English Language School</td>
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<td>Migrant English Language School</td>
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<td>S</td>
</tr>
<tr>
<td></td>
<td>Regional Peak</td>
<td>Y</td>
<td>S</td>
</tr>
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<td></td>
<td>Youth Health</td>
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<td>S</td>
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<td>Childcare</td>
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<td>Youth Services</td>
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<td>Government</td>
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Interviews

The interview participants were drawn from eleven community organisations. To obtain the perspective of both management committee members and paid staff, in nine of these organisations two persons were interviewed: one management committee member, and the coordinator or executive officer. The tenth organisation did not employ any paid staff so only one management committee member was interviewed. A management committee member and the coordinator for each organisation were chosen as representative of the organisations due to the research focus on the formal and informal relationships between government and the organisation. It was assumed that these members of the organisations would be best placed to comment on these relationships. It is important to note, however, that in community managed organisations the role of management is often not very far removed from the front-line service provision. In most of the organisations in this study coordinators were involved in some service provision in addition to coordination or management roles and in some organizations the coordinator was the only staff member or one of just two or three. Furthermore, while the focus of the research is not at the frontline of organisations, more than a third of the management committee members in this study also volunteered within the organisation and/or were paid service providers in another human service organisation.

The size of organisations ranged from the one organisation with no staff to one organisation that employed seventy (full-time and part-time) staff. In terms of turnover: about half of the organisations in this sample reported an annual turnover of less than two-hundred-and-fifty-thousand dollars, with two reporting an income well under one-hundred-thousand dollars. On the other hand, three organisations reported a turnover of between four-hundred-thousand dollars and five-hundred-and-fifty-thousand dollars with two larger organisations reporting a turnover of more than seven-hundred-thousand dollars – with one of these turning over more than three million dollars per annum. It was important to include a range of organisations of different sizes and turnovers in this study because some (Australian Council of Social Services 1997; Williams and Onyx 2002; Flack and Ryan 2003; Madden and Scaife 2005; Koonin 2008) have found or contended that the changes in discourse are particularly difficult for smaller organisations. Furthermore, others (Barraket 2006;
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Addis and Geddes (2007) have argued that organisations needed to grow to build capacity in the context of the quasi-market (Le Grand, 2007).

As outlined above, a general request for ‘Expression of Interest’ for participation was distributed by LCSA and through the researcher’s own networks. Eighteen EOI forms were returned. Of these, the four organisations did not qualify as community managed organisations (see scope of research below). The ten organisations in the sample were selected on the basis of the demographic information provided in the EOI form in order to provide the best range of samples to address the research questions. Of the ten organisations who were included in the interview sample, five had responded directly to the flyer (Appendix 1), whilst others were either encouraged by LCSA, or contacted through the researcher’s networks. As LCSA membership is mainly comprised of local neighbourhood centres, this type of service represents a significant number in the sample. Geographically, the sample included organisations located throughout NSW (4 regions), with the largest group being located in Western Sydney and Greater Western Sydney. The focus on this area was intentional because of the particular issues that had been identified in organisations in Western Sydney (Suhood et al., 2006) and the location, affiliation and expertise of the research steering committee including one of the industry partners, Western Sydney Information & Research Service (WESTIR Inc.). It was important to also include organisations from rural areas as some studies had shown they too might have a different experience of the changes to organisations in the urban area (Kenworthy Teather, 1997; Williams and Onyx, 2002). Table 2 provides further details of the interview sample.

The interviews were semi-structured and covered three broad topics:

- The extent to which organisations were experiencing recent changes in funding arrangements where service provision is now articulated as ‘purchased’ rather than ‘funded’;
- The frustrations and strategies that the organisation and interviewee experienced in dealing with these changes, and;
- What is working or not working for the organisation in the context of the current change.

Chapter 4: Methodological Framework and Method
The ‘Interview Question Directions’ (Appendix 7) were distributed with a cover letter (Appendix 8) to all interviewees prior to the interviews. In accordance with a semi-structure model, while these questions provided some structure, directions taken in the interviews varied depending on the concerns of the participant and the experiences of the organisation. Interviewees were also required to complete a ‘Pre-interview Questionnaire’ (Appendix 9) which provided demographic information about the organisation and the interviewees.
In accordance with human ethics policy, all participants in interviews and focus groups were required to provide signed consent forms from themselves (Appendix 10) and their organisations (Appendix 11).

The discussion in both the focus groups and interviews was recorded and transcribed.

**Scope of the Research**

The organisations in this study, which are referred to as ‘community organisations’, are defined as non-government, not-for-profit organisations that provide human and/or welfare services. All the organisations in this study are ‘community managed’ organisations – that is they are incorporated bodies, managed by a committee (or board) of community representatives and receive one or more recurrent government funding grants. The organisations in this study are managed independently of a larger organisation; they therefore embody a different model from other non-government, not-for-profit organisations that are affiliated to larger religious or philanthropic organisations.

Although much of the general study of non-profit organisations has some relevance and some of what is reported in this thesis relates to all non-profit organisations, there are some significant differences. These differences are likely to make the experience of the shift in discourses significantly different for locally managed community organisations than for other non-profit organisations. The research therefore has a relatively specific, but important focus. Because these differences are often underrated and community organisations are categorised alongside other non-profits, very little research has been conducted on this specific group (McDonald and Marston 2002b; Suhood et al. 2006). Furthermore, although some claims can be made from the micro to the macro, and this research certainly has international relevance, this was a small scale project conducted in one state in Australia and such claims of transference need to be made with caution.
Presentation and Analysis of the Data

The data is largely presented via participant’s statements illustrating key findings. While this study is qualitative in nature and did not aim to collect quantifiable data, many of the findings are prefaced with an indication of the proportion of participants who expressed a similar view. This is important as the diversity of responses was a feature of the findings. Hence, it was particularly striking when more than half the participants raised the same issue. Conversely, in line with Foucault’s work on local, disqualified knowledge and the importance the genealogy’, that is the scholar and the people (Foucault 1976b), issues raised by one or two participants were also seen as valid. Towards the close of the following three chapters (Chapters 5, 6, and 7) a ‘story’ is presented. Each of these stories is constructed from the interview data of two participants representing the one organisation. The construction of this data was done by the researcher not the participants. These stories are provided to further illustrate some main findings relevant to the chapter.

The analysis was largely grounded with emerging themes identified from the data. The focus groups and the interviews were semi-structured allowing for new themes to emerge, however some previously identified (through focus groups) themes were further explored in the interview questions. The analysis used the CDA methodological framework described in this chapter to critically examine the effect of discursive change on current practice and the continued viability of community organisations within the framework of neo-institutional theory. Themes were identified and documented with the assistance of N*VIVO – a qualitative data coding computer program.

Chapter Conclusion

This concludes the theory and methodological framework chapters of this thesis. In the next section, consisting of Chapters 6 through to 9, a critical analysis of the data is presented. The data analysis chapters present and analyse the data according to four themes:
• Tensions between increased managerialism and the ‘traditional’ beliefs (Chapter 6);
• Tensions between increased reliance on community organisations and the effects on organisational capacity (Chapter 7);
• Tensions between community representativeness and divergent accountabilities (Chapter 8), and;
• Tensions between competition and collaboration and the effects on sustainability (Chapter 9).
Chapter 5 Tensions between Increased Managerialism and the ‘Traditional’ Beliefs – or the ‘Institutional Myths’ – of Community Discourse and Practice

Chapter Introduction

The first tension to emerge from the data was the tension between managerialism and the ‘traditional’ beliefs of community discourse and practice. A major finding of the present study was that people working in and managing community organisations were adopting managerialist discourse and practice. This represented a significant shift in the discourse and practice in community organisations. As such there were major tensions between these new managerialist discourse and practices and the more traditional understandings of community management largely supported by community discourse. In this study, the two were situated uneasily together; all participants described some changes in discourse and practice consistent with managerialism, and almost all participants also upheld traditional beliefs – or ‘institutional myths’ (McDonald and Marston 2002a) – consistent with a type of community discourse.

This chapter describes the shift towards more managerialist discourses, practices and structures in the community organisations participating in this study. It examines the impacts of increased managerialism within organisations on practice, focus and organisational culture. This chapter also explores whether participants’ understandings of their own organisations, and community organisations in general, have been impacted by increased managerialism.

With the quasi-market approach, the considerable devolution of government service provision and the increased pressure on governments themselves to account for funding (McDonald 1997), there has been a discursive shift in the way government funding agencies relate to the community organisations they fund. As discussed in detail in Chapter 2, National Competition Policy (NCP) changed the discursive relationship between community organisations and government funding agencies.
Because NCP is based on a managerialist premise that all organisations can be managed using basic corporate principles, there is no distinction made between how non-profit organisations are expected to operate in comparison with other types of organisations (HRSC 1998; Jones and May 1999; DoCS 2001; Flack and Ryan 2003).

Managerialists tend to view management as a 'generic, purely instrumental activity, embodying a set of principles that can be applied to public business, as well as private business’ (Painter 1988:1 as cited in Jones and May 1999 p.387).

In line with National Competition Policy (NCP) and managerialist principles, government funding agencies have established more formal procedures for monitoring of funds through service purchase contracts (Nowland-Foreman 1997; Considine 2003; Spall and Zetlin 2004a) and competitive tendering processes (HRSC 1998; Neville 1999).

In this study, a move towards managerialist practices was evident in all participant organisations. This shift corresponds with an expectation from government funding bodies that community organisations adopt business principles. As one participant, with three years experience in her current organisation and more than ten years experience in the non-profit sector overseas, noted:

_I have noticed greater requirements to prove your ‘businessnesslikeness’ to the funding bodies (FG 4)._

This had resulted in a number of tensions for people involved with community organisations. In particular, there was a significant tension between how participants believed community organisations ‘should’ operate and the actual practices occurring within organisations. There was, however, great diversity within this study, in the extent that new managerialist discourse and practices have been adopted in organisations. There was also some disparity amongst participants in relation to the extent to which they championed the traditional understandings of community organisations. Not withstanding these disparities, this study found that all organisations had adopted some of the new managerialist discourse and practices and that this had changed perceptions of the role of community organisations and the discourses that may have motivated people to participate in organisations as staff, management committee members or volunteers.
Furthermore, much of this change occurred without the participants being fully aware of the change. Also examined in this chapter is the attribution of change. While there was a tendency for most participants to describe change as ‘internal’, most also gave examples of how external changes, including government policy; changes to funding and funding expectations, and wider social and economic changes, led to these ‘internal’ decisions to change.

This chapter outlines some of the changes that occurred within community organisations which demonstrate a shift towards managerialist discourse and practices. It will also examine some of the implications of some of the disparities between beliefs and practices within community organisations.

The main findings raised in this chapter are:

- An increased use of managerialist practices with three major shifts evident:
  1) Organisational Focus – with a shift from ‘processes’ to ‘outcomes’ focus;
  2) Personnel – with a shift from ‘volunteer’ to ‘professional’, personnel and;
  3) Organisational Structure – with a shift from ‘flat’ to more ‘hierarchical’ structures;

- Tension between old and new discourses - with strong support for ‘traditional’ community discourse despite evident use of managerialist discourse and practices;

- Formalisation of practice, through managerialist discourse and associated genre, has been of some benefit to community organisations;

- Some evidence of lack of awareness of use of discourse and change on practices. Including:
  o Contradictions in the attribution of change processes, and;
  o The co-opting of some poly-variant discourses;

- Tension between discourse of ‘specialness’ and the managerialist discourse, which assumes the homogeneity of organisations, and;

- The risk of loss of specialness, or perceived specialness, in the quest for recognition and respect through the adoption of managerialist discourse and practices.
Strategic Planning: Internal Review and Organisational Change Processes

In this study the main instruments used by community organisations in the shift to more managerialist practices in organisations were internal planning and subsequent change processes. In this study, almost all of the participants described engaging in some processes of internalisation or ‘looking inwards’ and examining and reviewing organisational goals, philosophy, mission, internal structure, policies and procedures in the past five years:

*We basically had to go back to scratch in terms of looking at all our policy and our documentation our procedures and even things like our constitution for our committee (I-MC1).*

Four organisations in this study had engaged in significant internal review of business goals and practice which had resulted in major changes to organisational structure, purpose and practice:

*We have been involved in re-looking at our strategic direction, our focus and our philosophy and mission (I-Co9).*

*In the last 18 months now, we have put in a considerable amount of effort into strategic planning and organisational development. Starting off with a weekend retreat and then rolling staff management committee planning days and then another retreat. So we have done a lot of work in figuring out what are our weaknesses, strengths, opportunities and threats, as well as what are key issues and what do we really need to focus on (I-MC9).*

What is of particular interest in the previous two quotes is the use of managerialist discourse by the participants to describe these processes. Terms such as ‘strategic planning’, ‘organisational development’ and ‘strategic direction’ are based on ‘managerialist tenets’ (Jones and May 1999 p. 387). The ‘SWOT’ analysis referred to above as ‘strengths, weaknesses, opportunities and threats’ is also a common business planning practice (Smith 2006). The language these participants used to describe internal planning and change processes in organisations was therefore heavily infused with managerialist discourse.
Strategic planning is a feature of managerialist practice (Jones and May 1999) and is ‘encouraged’ or required by government funders as of part a ‘quality improvement process’ (DoCS 2008). Evidence that people working in non-profit organisations had engaged and adopted the discourse and practices of managerialism in relation to ‘strategic planning’ has emerged in other studies. Nicholson et al. (2008), for example, in a quantitative study of more than 500 board members from non-profit organisations, found that ‘strategic planning’ stood out as the number one priority for the majority of board members. Community sector peaks have provided organisations assistance to engage in strategic planning processes, in an article produced by LSCA (Smith 2006), for example, community organisations were provided with a ‘how-to’ engage in strategic planning.

In this study, these planning processes often resulted in changes that increased the use of managerialist systems and discourse in community organisations. The main changes that emerged from this study have been categorised into three sections: (1) Organisational Focus, (2) Personnel, and; (3) Structure. Each of these is further examined below.

**Organisational Focus: From Processes to Outcomes**

One feature of increased managerialist practices, which was apparent in this study, was an increased focus on outcomes and outcome measurement, which diverted focus on process. Processes that were common in participant organisations included: the building of trust; the fostering of relationships, and; providing a safe space for clients to come to. With the advent of purchasing models and contractual arrangements, community participants reported that there were “some clear shoves” (FG1) regarding service direction of existing programs. A perception that government funding bodies had become more prescriptive and intrusive, with an increase in government interest and

The prescriptive nature of most funding limits our ability to respond to the emerging needs that we experience at the coalface (I-Co1).
intervention in the services that community organisations can provide, was particularly strong.

Resentment of what participants described as increased ‘prescription’ was evident in the responses of nine of the nineteen interviewees. Concerns about increased prescription were raised, with a general consensus of concern, in all four focus groups:

*I’d never come across a government department that was so absolutely intrusive* (FG2).

*And then[name of government department] came in and said “you are to do this with your funding”. Very, very specific!* (FG2).

*And[name of government department] really wanted the project to be very much focussed on their projects and not involved in other project[s] that I am involved in* (I-Co3).

There was a general expression of frustration at having to fit what the organisation saw as ‘community needs’ with whatever was “fashionable” (I-Co1) at the government level. More than a third of participants expressed concern that government decision makers often did not have a good understanding of community organisations and the issues their community faced:

*The department head makes the decisions. The department heads are not involved with small NGOs* (I-MC3).

The way in which prescribed service provision was monitored was also raised as a concern. Changes in measurements of accountability and performance – with an increased focus on outcomes – had changed the ways in which the majority of the participant organisations measured their own performance:

*There is certainly much more focus on outcomes now and being able to measure those outcomes [in our organisation]* (I-MC9).

The increased focus on outcome measurement was cited as a concern by more than half of participants. Of particular concern were the difficulties in measuring much of what community organisations do. Also of concern was the propensity to measure, and therefore focus on, what is easier to measure rather than what is most appropriate or most effective:
The outcomes in the community sector are difficult to measure. A lot of our role is a support role that is telephone based. It’s very difficult to measure from a phone call. Counting it as one phone call is one measurement, but that doesn’t give you a background of the number of different issues that have been talked about and then how those issues actually get implemented. Measuring your outcomes has become much more difficult (I-MC9).

These findings support other studies, which have found that much of what non-profit organisations do is difficult to measure. These studies also found, however, that a focus on outputs can keep organisations focused on the provision of specific services that are easier to measure (Ramia and Carney 2000; Considine 2003):

The difficulty in measuring the successes of community and welfare work can lead to a propensity to measure specific outputs that, while easier to measure, might not give a true picture of successful outcomes (Ramia and Carney 2000).

In this study, this was not a feature of participant accounts. Most participants reported that for the most part, notwithstanding significant frustration, they had been able to achieve a sense of ‘business as usual’. To achieve this, more than a few participants cited examples of services their organisation provided that were not in their funding contracts. These participants reported that as these services were not measured or reported, they were often not widely recognised:

Small community centres like us, we meet a lot of the needs of the community members who walk through the doors. A huge amount of these needs are not mentioned in any service agreements or covered by funding agreements but we meet them anyway. We are bearing a heavier and heavier load of dealing with the difficult stuff that no one else does and it’s not recognised and often not known about (I-Co1).

Participants also reported that as funding becomes more prescriptive and the pressure on resources increases (resource issues are discussed in detail in the next chapter), they are finding it more difficult to provide services that they are not funded to provide. Almost half of the participants, for example, raised specific concerns of the effects of an outcome focus on community development programs. Participants reported that governments’ focus on direct service provision to individuals was reflected in funding contracts to the detriment of community development:

From the period when we first got it; where it was very much an advocacy kind of funding. It became increasingly casework focused and increasingly restrictive about the way the project could operate and they
created milestones that had to be reported against every three months. So they became extremely prescriptive (I-Co3).

We want [the coordinator] to get back to community development - not helping people fill out forms. She is excellent she has done a great job. But, she gets waylaid by clients. If you go in there on a Tuesday morning you can not move because of the clients. Usually there are people lined up outside down the hall way, there isn’t enough chairs. It’s not pretty (I-MC2).

A couple of participants also pointed out that increased prescription undermines community participation, as decisions are made at the central governmental level not in the community:

[Prescriptive funding] limits the true integrity of community development - they should be taking the temperature of the coalface and saying “what are the emerging needs and how can we fund that?” We [should be] able to feed back to the funding bodies: ‘look these are the emerging needs in this area’ (FG 4).

There is a one-way flow of information from them to us with very little temperature taking at the coal-face (I-CO1).

This finding is consistent with other studies. Ramia and Carney (2000), for example, found that the government’s focus on service provision and measurable outcomes make it particularly difficult for organisations to achieve community development objectives.

Although the increase in prescriptive funding and outcome measurement had increased the level of individual advocacy to the detriment of more systemic advocacy in about half of the organisations in this study, the impact of this was only marginally felt. This is due to at least a third of the organisations in this study focusing primarily on individual support and service provision rather than systemic advocacy or community development.

While the emphasis placed on service provision, and prescriptive funding in tendering and contacting arrangements have resulted in an increased focus on outcomes within community organisations, the continued capacity for many participant organisations to provide some services outside the funding contract, and an existing focus on service provision in many of the organisations has lessened this
impact somewhat. Participants reported, however, that it was becoming more difficult to provide services for which they were not specifically funded and that there was also an increased focus on individual advocacy at the expense of community development in organisations that had previously focused on these practices.

**Personnel: From Volunteerism and Life Experience to ‘Professionalisation’**

Another significant feature of the shift to managerialist practice in this study was a change in the type of personnel participant organisations were attracting and/or seeking to attract with ‘personnel’, in this context, including: paid staff, management committee members, and; volunteers.

In this study, almost all the participants reported a high turnover of paid staff and management committee members in their organisation over the past few years:

*We had* four different co-ordinators in just over two years (I-MC2).

*They went through five CEOs before me - in fourteen months* (I-Co8).

There was evidence of a strong relationship between a high turnover of personnel and increases in managerialist practices and discourse within organisations in the context of governmental changes. This relationship was complex with neither being the catalyst for the other, but interacting in a way that furthered managerialist practice and discourse with organisations. It could not be ascertained, however, precisely how much of this high-turnover was indicative of typical personnel turnover in community organisations due to: burnout; poor pay and conditions, and; volunteer workers often being transient (Australian Services Union 2007; Cunningham 2008).

It is the replacement of the personnel lost that is of interest here. In this study, there were some significant changes in the type of personnel who were being attracted to
and participating in community organisations. Almost all participants gave examples of changes in the type of personnel in their organisation:

Everyone else had stepped off [the management committee] for various reasons so it really was a changing of the guard that year (I-MC1).

More than a third of participants reported that some replacement personnel were being selected for their understanding and ability to engage with the changes in funding and accountability. While most participants did not report actively seeking staff in this way, more than half reported that the skills necessary to work with the new accountability requirements were an important factor in choosing staff and management committee members.

The relationship between changes in personnel, internal and external change is complex. In most examples other changes in discourse and practice, in the context of the quasi-market, occurred before, during and after changes in organisational personnel. For most organisations, at least one ‘new’ person in the organisation initiated a change process that then attracted more new personnel. Although a few participants did not mention any changes in the actual personnel, in all but one of these organisations, participants reported that existing personnel had embraced internal and external change in such a way that their outlook was new:

There has been a change in the sort of accountability we want from our staff (I-MC1).

In this study, the changes in personnel – either new people or existing people with a new outlook – were seen as positive. While this shift to prioritising personnel with business background was mainly motivated by the pragmatic need for new skills to work with new discourse and practices, there was an overall sense that changes in personnel and culture had resulted in an improvement in the future outlook for most organisations.

Almost three quarters of participants expressed a strong sense of optimism in looking to the future. Many reported that the changes in their organisation were successfully negotiated by new people or existing personnel who were open to change and able to take on new responsibilities and learn new skills:
In a two-year period, I have seen the management committee strengthen to a large degree. They were very wavering at first and not too sure of their responsibility in terms of their funding agreement and their accountability requirements and what their responsibility was in terms of human resource management, OH&S, et cetera. And now we have a strong committee who are committed (I-MC2).

We came very close to being shut down and a lot of it was on the basis of funding criteria was not being met adequately. It is extremely complex, we asked to have someone on the committee that at least allows him to make sense of the documents that come from our financial worker (I-MC1)

In looking at the affect of policy changes it is perhaps as significant to look at personnel who left organisations as those who had arrived to change things. Advanced age and experience were viewed as a liability by more than half the participants. Previous committee members, particularly older members or members who had been on the committee for a long time, were often seen as a liability in change processes:

At one time people were on management committees as a hobby, it’s actually become a bit more demanding than that (I-MC5).

One of our regional committee members was eighty-seven years of age. They are wonderful people, when it comes to making decisions about four million dollar programs, it’s not funny anymore and it’s beyond their ability, not totally, but it certainly makes it hard (I-Co8).

There was a general sense of the ‘changing of the guard’. Generational change, in particular, was highly valued amongst almost all participants:

It’s been interesting the six years I have been involved – watching the real culture change here (I-MC1).

I have put a lot of management experience into this organisation. ... It has made it come out of the dark ages (I-Co1).

There was an emerging discourse about the need to be ‘tough’, to ‘shakeup’ people within the organisation to motivate them to either change or leave:

Of course we lost a few. And a few people left as soon as they saw the writing on the wall. So I guess, we believe we were successful because rather drag a few people on - kicking and screaming. People identified that there was change. We openly said there was change. We managed in a way that gave people an opportunity to see the advantages of staying with the organisation. We also articulated to them the sort of requirements and the sort of level of expectation we would have of them.
with the changed structures. We did it reasonably sensitively in the way that we were not hiding anything. We were quite open in what we expected of the staff (I-MC8).

We brought in a new member on the committee and she was one of those go-getters who stepped on everybody’s toes (I-MC4).

We are in a healthier position because the committee ‘bit the bullet’ and made some really hard decisions this year (I-Co2).

This approach of ‘toughness’ seems at odds with the sentiment, also strongly expressed by the majority of participants in this study, that people become involved in community organisations because they ‘care’:

I think ninety-nine percent of people who work in community organisations do it because they love it. They love helping people. I think caring people are drawn to these types of roles (I-MC2).

The wages are poor, the people are here because they actually care about what they are doing. And thank God for that! - for we wouldn’t be here otherwise (I-Co1).

This highlights the tensions apparent in working in a shifting discursive environment. When attempts are made to keep to old practices and beliefs in the process of adopting new discourses and practices, contradictions between discourse and behaviour arise. These contradictions did not seem to be overtly apparent to those who described both the need to ‘shakeup’ others and be involved with the organisation because of its ‘caring’ role. The focus of frustration was instead on the government policy and requirements that required others to be ‘shaken up’.

The discounting of age and experience was not universal, however, as Story #3 (Chapter 7) – which showcases an organisation proud of the relative longevity of their staff and management committee members – demonstrates. There were also other examples where age and experience were valued. One participant described how her management committee was able to overcome negative stereotyping or ageism in their dealings with funders:

[The funding body] have realised that just because we have white hair, doesn’t mean to say there is nothing underneath it. Only by being persistent and keep going back, they have realised that we go for real things not silly things. They have come to respect us and ask our opinion on things too (I-MC10).
There were also examples of how older persons on committees evolved with the changes in funding and accountability. One participant described how there was an attempt to remove him from the management committee due, he believes, to his age and the relatively long time he had been on the committee. This participant rejoined the organisation in the next year. In the meantime, he personally took up training in a computerised accounting system as, he believed, his ability to keep manual books was no longer valued by the other members of the committee (I-MC4):

*Now I am the only one of the original group. I am the oldest. When we had an AGM [Annual General Meeting] about four years ago, when we had to change, they stood against me. But that’s a thing of the past now (I-MC4).*

This management committee member therefore personally enhanced his knowledge and skills to accommodate the external and internal change towards more managerialist practices.

With an emphasis on the new and a disregard for the old, those who left the organisation might have been more interested in collective and developmental activities of the organisation than those who took their place. Therefore this “changing of the guard” (I-MC1) could result in connections with the community being lost.

**Structure: Hierarchy and Governance**

**From Flat to Hierarchical**

In this study, almost half the participants reported a significant change in the structure of their organisation. Of those, most reported moving from a ‘flat’ organisational structure to a more hierarchical one in the past five to ten years. Just over half the participants reported that their organisations had moved from a completely flat structure to a more hierarchical one. A flat structure was where all staff and volunteers in organisations were (formally at least) on ‘equal footing’ and there were therefore several lines of reporting or control between each of the staff and volunteers, and; the management committee.
The relationship between changes in governmental policy and the increase in manageralist practices and the increasing hierarchy in organisations is complex. Some assert that managerialism is designed to reduce hierarchy and bureaucracy in the public service (Ramia and Carney 2000). Paradoxically, in this study, the demands of contractualisation and associated accountability expectations and an increased reliance on paid staff, have contributed to an increase in hierarchy in many of the participant organisations. This may be due to the absence of hierarchy in these organisations in the past relative to other types of organisations. In the past these organisations were based on a flat or collaborative structure with little or no hierarchy. Completely flat structures are rejected in managerialist discourse and practice as they are seen to moderate efficiency and accountability processes (Keast et al. 2006).

While there was no clear directive or coercion from government for the organisations in this study to increase their hierarchy, the changes in the discursive relationship between community organisations and government funding agencies played a significant role in the increasing hierarchy in these community organisations. This demonstrates the effectiveness of covert discourses and the tensions that have arisen from using new discourse and implementing new practices while trying to keep to the ‘old’ or traditional model.

A few participants alluded to increasing hierarchy and changing their organisational structure to best reflect the requirements of funding bodies, with the goal being to attract funding. They understood that the closer that they could emulate the for-profit business structure; the more likely they were to attract funding. Their organisations had established structures that emulated those in private enterprise:

_We have teams now, whereas before it was just [name of organisation] staff (I-Co9). We have made various sections within the organisation. We now have a business support section which includes all the information technology and publications. Then we have the training side of the_
organisation and we have got the resource and support side of the organisation (I-MC9).

The symbolism of being understood, known and seen as a ‘whole’ organisation had also become more important as funding became more competitive:

People seeing themselves as a single organisation with a single bank account, where we are still living on a rental charge on each program, but all in the one building (I-MC8).

Interestingly, in this example, the symbolism of ‘oneness’ was described by this participant in terms of his organisation’s financial structure and the physical location rather than in terms that are more traditionally valued by community organisations such as a shared philosophy or client base. This participant’s views demonstrated an increased importance of economic streamlining and physical proximity which fits with managerialist discourse in that these measures can, purportedly, increase efficiency and control (Jones and May 1999).

According to a number of participants, changes in accountability and compliance to new legislation had made the management committee members in their organisation more aware of their liability and had increased their need to be more in control of what was happening in their organisation. Flat structured organisations consisted of loosely connected services where the management committee often directly administered and managed the many processes, sections and/or people within the organisation.

These participants described changes from disparate groups of services - often with little connection below the management committee – to ‘whole of service’ organisations:

When I came here, [there were] twenty-seven programs. At least eleven of those where not located in a central building, they were spread all around town, or even a different town (I-Co8).

According to participants, these flatter structures became more onerous to manage as accountability and compliance expectations increased:

We had at that stage, about eleven or twelve programs. Some were separately located around the town and they believed they were running autonomously - we had about twenty bank accounts! They were putting a whole lot of pressure back onto a central administration (I-MC8).
Participants reported that more hierarchal structures are favoured with the aim to make the most efficient use of resources. The pressure for increased efficiency inherent in managerialist discourse, and; increased concerns about liability in the context of the quasi-market, had increased the need for more central control of organisations. Almost half of the participants interviewed reported that their organisations had increased hierarchy and/or introduced more formal lines of reporting in their organisation based on an assumption that a more hierarchal structure would increase efficiency and control within their organisations.

A few participants reported issues with specific staff and the management committee not being able to properly manage day-to-day problems which meant that, where there was no one below the management committee with an official capacity for control, these problems sometimes escalated to crises. One participant described some of the difficulties associated with a flatter structure where the management committee was unable (or unwilling) to intervene:

> When there were difficulties, as there were on occasions, that was when management weren’t close enough to intervene and so problems were allowed to exist for far too long because there was nobody who had the delegated authority to say “what’s going on here?” (I-Co3).

What is interesting about this quote is the suggestion that problems persisted as the management committee were not ‘close enough’. This seems to be a rather odd argument for increasing the hierarchy within an organisation as the introduction of more levels of hierarchy is more likely to preclude direct access to the management committee to most of the staff within an organisation. Another interesting aspect of this quote is the idea that no one had the ‘delegated authority’. This raises questions about the organisation’s understandings – or at least the understanding of the participant representing the organisation – of the delegation of their management committee and how this has affected practice. The management committee should have ‘delegated authority’ but from the participant’s report it seems that this was not occurring in this organisation in practice. There is an inference in this participant’s response that the only way to deal with difficulties in a timely manner was to have someone physically situated within the organisation with the ‘delegated authority’. This may be due to the way the management committee is viewed as situated outside...
the organisation rather than a characteristic of a flat structure. The idea that authority should be delegated to a paid worker is one of the cornerstones of managerialist discourse and practice (Nowland-Foreman 1998; Jones and May 1999):

Managerialism also legitimises the status, influence, identity and technology of managers in human service organisations (Jones and May 1999 p. 389).

This is both an example of traditional practices and discourse ‘exposed’ in the discursive shift – seen as inadequate – and the consequent adoption of managerialist discourse in a ‘taken-for-granted’ way to compensate for the perceived inadequacy of previous practice.

Also of interest in the move from flatter to more hierarchical structures, were the apparent power imbalances which participants described in the flat structure models. In this study, while changes to government funding and associated accountability expectations were the main catalyst for organisations to move from flatter to more hierarchical structures, informal power relations were apparent in the less hierarchical structures which were seen to undermine equity, reciprocity and trust:

*They had their own little systems. They ran their own thing. They reported as little as possible. Those who were well funded had everything they dreamed of. Those who had little funding had next to nothing (I-Co8).*

Formalising hierarchical structures of community organisations represents a significant change in the conception of community organisations. The non-hierarchical structure was a practice that was informed by ideals of participation and equity in organisations (Keast and Brown 2002). Moving away from this structure could be seen as a relegation of the importance of these values (Leonard and Onyx 2004). Flat structures were favoured for their supposed ability to ensure equality with more hierarchical structures. These were seen to formalise power which can: “generate dependent relations that discourage reciprocity and mutuality, in which the choice is absent and trust dependent on the goodwill of the powerful” (Leonard and Onyx 2004 p. 88).

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3 The power and understandings of management committees in discourse and practice are further explored in Chapter 7.
Consistent with the findings of others (Lyons 2001; Keast and Brown 2002; Keast et al. 2006), this study found that, in practice, flat non-hierarchical structures often had fewer safeguards from exclusionary and inequitable practices than more hierarchal ones, due to exclusionary processes and significant power imbalances.

**From Management to ‘Governance’**

In this study, another significant shift to managerialist practice and discourse was what was referred to by participants as ‘a move to governance’.

In keeping with the managerialist ideal that business management principles are applicable to all types of organisations, including community organisations (Jones and May 1999), government departments are ‘encouraging’ community organisations to adopt a method of governance based on a corporate model (DoCS 2008).

In this study, participants representing three organisations reported that their organisation had adopted a model of ‘governance’ based on business principles. They reported that management committee members’ roles had become more strategic, that management committee members had became less involved in the day-to-day management of the organisation which was delegated to paid staff – typically to the coordinator (who, in this model of governance, was more likely to be referred to as an ‘Executive Officer’):

*The management committee have become more of an advisory board – we don’t run the day-to-day stuff any more – it’s just impossible to do the day-to-day stuff (I-MC6).*

*The Board now has a role in planning strategic directions and has delegated administration of funds and other day-to-day management to the Executive Officer. [The Board is] ‘freed-up’ to deal with the ‘bigger picture’ (FG1).*
These participants largely reported that the move to governance had made it easier to negotiate government requirements. One participant, for example, described how the adoption of corporate governance principles had made the organisation’s obligations, in terms of legislation compliance clearer and more transparent. Prior to the move to governance, this organisation found that their relatively flat structure of informally autonomous services had made compliance to changes to legislative requirements difficult:

_"I think it was an ownership issue. We see-sawed between OH&S reps, and OH&S committee for probably over twelve months, until people came together. Once we went through that transition phase, the last three years, I would say, have been very successful in that way. There is a very effective OH&S committee at the moment who have done a huge amount of work recently over the last three years and got everything in place (I-MC8)."

A move to corporate governance involved much more than an intention or changes in terms and strategies. It usually occurred in stages, with changes continuing at the time of focus group or interview:

_"It would take time to understand it all, and not change the organisation from its philosophical roots. Major changes in understanding the legal requirements of governance (I-MC5)."

_"It’s probably been four years now that we have been [moving to] the governance model (I-MC8)."

What is of particular interest was the participants’ use of the word ‘governance’. In this study, participants used the term ‘governance’ to refer specifically to a corporate style of governance. Governance in the literal sense simply refers to the structure of management (Leonard and Onyx 2004; Woodward and Marshall 2004b; Nicholson et al. 2008). ‘Governance’ in the context of managerialism, however, specifically refers to a type of ‘corporate governance’ (Leonard and Onyx 2004; Woodward and Marshall 2004b) which fits with the principles of NCP – that is, that all organisations can be managed in the same way. The term ‘good governance’ is also often used in this context (DoCS 2008). ‘Good governance’, in this context, specifically refers to governance that is strongly underpinned by managerialist principles, “good governance embraces accountability and stewardship” (Conroy 2005 p.108). This use of a general term in a very limited sense is an example of hijacking discourse which has the potential to effectively limit other discursive alternatives. The use of a
positive adjective such as ‘good’ qualifies this specific definition of the term relegating alternative governance practices as ‘less than’ good. Judging from the very specific use of this word by participants, if seems that this hijacking of discourse – narrowing a more general term to a very specific meaning – has been somewhat successful. However, this may have been possible in community organisations be due to the word ‘governance’ not largely featuring in community discourse prior to government changes in policy and discourse. There was, therefore, no competing meaning attached to this word in this context. This effective use of discourse, particularly the acceptance of the idea of ‘governance’ in this narrow sense being ‘good’ could have far reaching implications for community management practices. A shift to this corporate model of ‘governance’ can represent a significant repositioning in the way non-profit organisations are managed. It has the potential to change the roles and expectations of management committee members and paid staff and how community organisations are seen and understood (Jones and May 1999).

Tension between Managerialism and Perceptions of Community Organisations

Despite an evident shift towards more managerialist practices, participants’ responses about how community organisations should be structured and managed tended to be very dualist with participants either arguing for no or little change from what was widely considered as ‘traditional’ approaches to the wholesale adoption of managerialist practices.

Nevertheless, all the participants espoused traditional understandings of community organisations. These included: being altruistic and caring; emphasising the importance of sharing, collaboration and trust; accentuating the merits of being small and democratic – which they asserted allowed them to be locally focused and; believing – because of these attributes – that community organisations were better placed to help marginalised individuals and groups than other types of organisations.
The way that participants believed community organisations should operate, however, was polarised. Two interviewees from the same relatively large organisation and one focus group participant, also from a large organisation, argued for growth, change and professionalisation, which they asserted were more effective ways to help individuals and groups. The vast majority of participants, however, upheld more traditional approaches and reported major frustration at the pushes to become more businesslike thwarting their efforts to maintain ‘business as usual’. This difference of opinion on how organisations should operate was highlighted in Focus Group 1 where one of the six participants argued for major change towards more managerialist practice, while the others argued strongly against these changes. This polarisation was so salient that the participants could almost have been wearing team jerseys, with neither side making any allowances for the claims of the other. The proponents of change argued that community needs would be better met if community organisations become, and are hence recognised, as more professional. Those upholding more ‘traditional’ approaches expressed concerns about loss of local input and with an increased emphasis on efficiency and professionalisation they were concerned that emphasis on caring, altruism and collaboration would be lost (FG1).

Paradoxically, participants described practices and structures in their organisations that appeared to more pluralistic than their discourse on how an organisation should operate would seem to indicate. What is particularly interesting is that despite the majority of participants upholding ‘traditional’ approaches and opposing change towards managerialist practices, participants from all organisations in the present study described the adoption of managerialist practices in their organisations. Furthermore, most described some of their organisational processes in managerialist terms. This highlighted a contradiction or a tension between belief and practice. The above account might suggest some kind of homogeneity in participant response to the discursive changes. Yet, while this tension was universally apparent, there was a diverse range of organisational responses to the tensions that arose in the shifting discursive environment. This was particularly evident in the difference in responses to pressure that resulted from government expectations that organisations adopt and increase managerialist discourse and practices.
In the present study, there were strong discourses and participant descriptions of varied practices indicating that a range of approaches were used in the organisations studied: most participants indicated a strong preference for one approach over the other. There was significantly stronger support for ‘traditional’ systems of operating than for ‘managerialist’ systems, particularly from participants for smaller organisations. As all participants also described examples of some change in discourse and practice, influenced by managerialist discourse, in the context of changes to government discourse and expectations of community organisations, the tensions between the old and the new discourses were particularly evident in the smaller organisations. This is not to say, however, that these tensions were not apparent in the larger organisations in this study as Stories #1 (in this chapter) and #2 (in the next chapter) attest. Nevertheless, participants representing the few larger organisations in this study described significant and deliberate organisational changes to managerialist practice in order to maintain and foster growth in the new ‘purchasing’ and ‘competitive tendering’ environments. While the tensions were still apparent – as these same participants also voiced some ‘traditional’ community discourse, particularly when describing value positions – their adoption of the managerialist discourses was much stronger. This finding is consistent with other studies. Spall and Zetlin (2004a), in a study of non-profit disability organisations, for example, found that adopting managerialist practices did not necessarily change the organisation’s value system.

The differences in the discursive tensions being dependent upon the level of acceptance of the managerialist approach, also supports and builds on the findings of Spall and Zetlin (2004a). In an examination of the impact of emerging managerialist approaches on non-profit organisations, Spall and Zetlin identified two ‘archetypes’ of organisations operating in non-profits which they refer to as ‘non-enterprise organisations’ and ‘enterprise organisations’. Spall and Zetlin’s non-enterprise organisation refers to what might be seen as a more traditionally structured community organisation where “organizations had implemented ‘slightly’ and ‘very little’ market reform” (p. 288) whereas ‘enterprise organisation’ refers to organisations that reported high levels of change” (p. 287) based on managerialist principles. Spall and Zetlin’s constructs could be applied to the organisations in the present study – that is, Spall and Zetlin’s ‘non-enterprise’ model corresponds loosely
with those organisations that advocate a more ‘traditional’ approach while their ‘enterprise’ model corresponds loosely with the organisations that have deliberately adopted a more ‘managerialist approach’ to foster future growth. In this study, however, most organisations would be better placed on a continuum between these two examples, with all participants describing the adoption of some managerialist practice and advocating some ‘traditional’ principles. Spall and Zetlin’s model of ‘ideal organizational form archetypes’ artificially constructed two categories – ‘enterprise organisation’ and ‘non-enterprise organisation’ – by discarding the organisations that scored in the middle thirty-three percentile band of their schedule. The present study departs from Spall and Zetlin’s model by arguing that the data showed that a continuum of response rather an artificial dualist model would better describe the variances in response in the organisations in this study. Furthermore, this research focuses on community managed organisations while Spall and Zetlin’s study included organisations from the wider non-profit sector.

**The Advantages of Shifting to Managerialist Practices for Community Organisations**

Although the ‘new’ discourse and associated practices have resulted in much frustration, with participants reporting some difficulty in being able to do what they believe is their ‘job’, managerialist discourses and associated practices have not been rejected outright. Instead, participants have adopted changes that they think may be beneficial to their organisations.

In this study, there was some evidence of the adoption of some managerialist discourse and practices to address some issues due to a previous lack of transparency. More than a third of participants reported that the catalyst for review and planning often came due to a new awareness of management committee members of issues that were not apparent before the changes to funding and accountability requirements:

*Previously, certain individuals probably understood how that worked and understood what the requirements were and what was necessary to meet the funding criteria. But the majority had absolutely no idea. And I think what happened was such a financial rift was created that people just threw up their hands. Now we came very close to being shut down*
and a lot of it was on the basis of the funding criteria not being met adequately (I-MC1).

More than a third of participants reported that pressure to perform and the new financial reporting mechanisms, made their management committee newly aware of organisational practices and financial circumstances. Near crises in organisational sustainability, which became apparent with the advent of new accountability expectations and consequent changes in financial reporting, were described by a few participants:

The co-ordinator brought a lot of restructuring to the organisation and directing the workers on the volunteer management committee on how the place would run better, and how to cut back on costs, how to restructure the staff to get it back on track. Because it was running financially very close to the bone (I-MC2).

Now we came very close to being shut down ... we discovered that in fact we were in dire straits and we weren’t aware of that (I-MC1).

This supports the findings of others, who have found that funding uncertainty and consequent difficulties in forward financial planning were augmented by poor governmental processes and a lack of transparency in non-profit organisations (Neville 1999; McDonald and Marston 2002a; Audit Commission 2007).

In this study, significant changes to the way financial reporting was undertaken were common to almost all organisations. Furthermore, about half of the participants reported that these changes had a positive impact within their organisation, with management committee members gaining a better understanding of where funds came from and how they were spent. This included better record keeping and the measuring of outcomes, which allowed management to better understand the financial situation and the achievements of their organisation.

Participants from organisations that had embraced professionalisation and governance, with governmental encouragement, reported that the increased transparency had increased their organisation’s capacity and ability to engage with their community. For example, one participant reported that since some of the management roles and administration of the organisation had been delegated to the
executive officer, in line with increased hierarchy and corporate governance, it has been easier to get people to join the management committee.

More transparent processes and more formal structures also assisted management committee members to negotiate new accountability expectations. Increasing hierarchy, for example, had allowed management committees to share the accountability that had become more important as the focus on accountability increased:

*When I came in, each program had its own staff and its own flier. Now it’s all amalgamated with one flier, staff are now employed within one organisation and everything is outlined within that one organisation. You can lose funding money in one area and gain in another funding area. Staff are spread out as needed. The accounts are set up for the organisation to deal with individual programs (I-Co4).*

*[Restructure] meant placing more responsibility with some of the larger programs and the co-ordinators within those programs to take more responsibility, which [resulted in] far better accounting processes in place (I-MC8).*

A few participants reported that another impact of change processes was a clearer understanding of what their organisation stood for. In trying to alleviate the tensions between managerialist practice and traditional understandings of community management and maintain some level of uniqueness or ‘specialness’ in what their organisation offered, a few organisations had reviewed their organisational goals to establish, or re-establish, the organisation’s mission:

*We have really got down on paper what we believe, we had lost our vision and we have finally come back to that (I-MC2).*

**Managerialist Discourse and Broader Understandings of Community Organisations**

There is considerable debate as to whether organisations need to adopt managerialist practices and what the possible impact of these practices might be (Australian Council of Social Services 1997; HRSC 1998; Neville 1999; DoCS 2001; Considine 2003; Flack and Ryan 2003; Spall and Zetlin 2004a; Barraket 2006).
Some argue that changes towards managerialism in organisation practice are an inevitable consequence of the quasi-market approach: “third sector organizations are transitioning towards entrepreneurial and managerial models as a result of quasi-market strategies” (Spall and Zetlin 2004a p. 283).

The present study supports this view, with all organisations adopting some managerialist practices and many participants using some managerialist discourse.

At the same time, more than half of the participants expressed a strong view that community organisations were significantly different, and better, than other types of organisations. A few participants, for example, spoke specifically about community organisations being more democratic than other types of organisations. Most believed that community organisations were different because the people who are involved in them as staff, volunteers and management committee members were motivated to participate because they cared about people and wanted to help.

There is an apparent contradiction in discourse here between managerialist discourse and discourses that support the understanding that community organisations are special, different, and/or have something unique to offer. Managerialism is based on the premise that all types of organisations are essentially the same (Jones and May 1999). In the great melting pot of managerialism – in the context of NCP – this was designed to achieve homogeneity of organisations. Community organisations could lose these distinctions, which they themselves see as important, to other types of organisations. The move to more business-oriented approaches, including changes to personnel who espouse such approaches, could also make them more similar to other types of organisations.

In this study, as detailed above, there was also an apparent disjuncture between 1) what was largely reported as what motivates people to join community organisations and 2) the attributes community organisations are seeking in new personnel. While altruistic motivators were frequently cited by participants to explain why they joined the organisation, participants also reported that their organisations were finding that they...
needed to engage personnel who understand and have knowledge of these processes due to being expected to act more like for-profit organisations. Despite ample evidence of altruistic motivators being at the forefront of almost all participants’ motivations for joining and staying with their organisations, these motivators were demoted in almost half of the participant organisations as secondary to business background and experience.

One of the reasons for this may have been the need to be recognised and respected as a ‘professional’ organisation. Participants reported that community organisations were not properly recognised or taken seriously by government or the general public. All participants reported that their organisation had not received sufficient funding for what they were expected to do, which resulted in, among other things, problems with recruitment due to poor remuneration for staff. A number of participants specifically identified that a lack of government recognition of the worth of community organisations, particularly small ones, was largely responsible for their lack of funding and poor resources. To counteract this, the adoption of managerialist language and practices has been used by the participant organisations as a survival tactic in seeking to be taken more seriously.

This lack of recognition has been highlighted by others. Madden and Scaife (2005), for example, theorise that non-profits have trouble attracting key staff from a small field due to “the profession not being attractive to the best and brightest and having poor community regard” (p. 8). Considine (2003) refers to the invisibility of non-profit organisations relative to other types of organisations.

There may also be a more general failure to take this sector seriously. Salamon and Anheier (1997, 3) speak of a ‘curious lack of appreciation for a distinctive third sector of private, non-profit organisations in either our public discourse or academic debate’ (p. 64).

The dilemma for community organisations is that a shift to managerialist discourse and practices, in the quest to be taken seriously or increase respect, has resulted in the co-option of a discourse that is founded on the premise that all organisations are essentially the same. Community organisations could therefore lose the ‘edge’ or ‘specialness’ they are trying to highlight through the adoption of this discourse.
Conversely, one participant – representing an organisation that had largely adopted the managerialist approach, with major shifts in professionalisation and governance (see Story # 2 in Chapter 7) – states that there was satisfaction in ‘growing’ the organisation and still managing to create something unique:

_I want to say from my perspective, it’s been a great joy to see the way the organisation has grown. I suppose there was self satisfaction involved in developing something that is reasonably unique (I-MC8)._  

The Attribution of Change

Also of significance was the impetus for engaging in processes of planning and change. Change within organisations was mostly attributed to internal processes, and often to specific people within the organisation, rather than changes being driven by government changes. While all participants asserted that many of changes undertaken in their organisation were due to internal forces and decision making, unrelated to government coercion, there was also some significant acknowledgement - usually expressed by participants as ‘frustration’ – of overt and excessive government control and coercion.

The relationship between the external and internal pressures and how participants described changes in personnel is noteworthy. While a few participants attributed the changes in personnel to changes in government policy, the majority believed that changes in their organisation had been internally determined due at least partly to changes in internal personnel.

While more than half the participants interviewed reported that these processes were internally driven, their comments indicated that the impetus to engage in these processes was often driven by changes to funding and accountability processes. While participants generally reported that pressure to change was coming from inside their organisations, they also gave examples that indicated that this internal pressure was often related to the influx of new personnel. As most participants also reported that the catalyst to seek different attributes in new personnel had its origins in the changes in government policy and the consequent government expectations of community organisations, the ‘internal’ changes had significant external drivers.
As indicated earlier in this chapter, for a few participant organisations, the relationship between government policy internal change processes was more salient due to the catalyst for change being a specific crisis, which was either initiated or augmented by changes in funding and accountability processes.

While all participants expressed significant frustration regarding governmental changes and the pressures these had put on their organisations’ ability to operate, paradoxically, only a few participants clearly articulated a direct relationship between this external pressure and their internal change processes. When these connections were articulated, it was usually in relation to a specific government policy change and a specific corresponding organisational change:

\[\text{[Some internal organisational changes were] definitely driven by the requirements of the funding bodies. For example, if you are applying through the accreditation process, you don’t get accredited, [you don’t get funded]. But definitely the systems are changing in the organisation, even for the management committees (I-Co4).}\]

There appeared, however, to be a general lack of recognition or connection to what was happening internally and what was being imposed externally. This attests to the power of discourse. As discussed in Chapters 3 and 4, discourse can negate the need for overt coercion to the point where a driving force is not recognised as coercion at all (Foucault 1977a; Foucault 1981; Jepperson 1991; Zucker 1991; Fairclough 1995; Fairclough 2000; Phillips et al. 2004).

**The Importance of ‘Community Discourse’: What Community Organisations Stand to Lose**

As discussed above, in this study, many participants asserted that it was the more traditional understandings of community organisations that attracted persons motivated by caring and altruism. These attributes are more overt and readily perceived – whether in reality or otherwise – in community organisations than in other types of organisations.
The sense of being involved in and contributing to something worthwhile has driven many community organisations (Putnam 2000; Leonard and Onyx 2004). This sense of being altruistic and caring is seen as a feature of community organisations that make them unique and difficult to replicate in private enterprise. This perception may also have given community organisations a certain respect and recognition with particular parts of the community and certain sections of the political spectrum. Hough et al (2006) refer to the importance of a ‘voluntary discourse’ to the self-perception of persons involved in non-profit organisations. Jackson-Elmoore and Hula (as cited in Considine 2003) argue that the non-profit sector’s values are based on ‘cooperation’ and ‘altruism’ as opposed to the ‘hierarchy’ and ‘monetary exchange’ of the public and private sectors. Spall and Zetlin (2004a) found that people working in non-profit organisations believed in a ‘myth of pure virtue operative’ irrespective of whether they had adopted managerialist discourse and practices. The ‘myth of pure virtue operative’ is a term developed by Salamon (as cited in Spall and Zetlin 2004a). The ‘myth of pure virtue operative’ refers to a view that: “non-profits are more ethical, more caring, can deliver better outcomes than for-profits, [and] work in [a] collaborative and cooperative way” (Spall and Zetlin 2004a p. 288).

In the present study, there was evidence of the voluntary discourse and beliefs consistent with Salamon’s ‘myth of pure virtue operative’. As detailed above, most participants subscribed to a traditional understanding of community organisations as caring, collaborative, democratic and altruistic and these were important motivators for their involvement in their organisation.

Most participants reported that there was a self-satisfaction in being involved in what they perceived as a caring organisation. A few reported that their concept of the community organisations they were involved with as caring, altruistic organisation helped to define who they were:

*It’s also that I have to be a valuable person and I only see myself as a valuable person if I am contributing to the community (I-MC5).*

What is important here is not whether non-profit organisations are actually more ethical, caring or better able to deliver outcomes than other types of organisations but
that they are believed to be so by the people involved in them. This belief sets these organisations apart, and gives those associated with them a set of ‘institutionalised myths’ from which to build common understandings. Such myths can unite and strengthen organisations (McDonald and Marston 2002a).

With an increase in managerialist practices, these ‘traditional’ understandings may become less relevant – or be seen as less relevant. As a result, community organisations could lose a potential ‘edge’ – their distinctness – what makes them (seem) different, from other types of organisations: “as the third sector, they only exist in so far as they remain independent of those other sectors” (Leonard and Onyx 2004 p. 79).

Ryan (as cited in Considine 2003) argues that competition and associated practices will force non-profits “to compromise the very assets that made them so vital to society in the first place” (p. 65). Skocpol (as cited in Hough et al. 2006) argue that the trend to “‘management-centric’ associations which provide limited opportunity for personal involvement, are staff-heavy and emphasise ‘doing-for’ instead of ‘doing with’ ” (p. 16); had ‘diminished democracy’ in the United States of America.

Many proponents of community management have asserted that community organisations can provide the conduit to citizenship, participation and democracy (Sharp and Inwald 1988; Onyx et al. 2002; Leonard and Onyx 2004; Hough et al. 2006). While this is problematic in itself, (Bryson and Mowbray 1981; Lyons 2001; McDonald and Marston 2002a; Brown and Keast 2005; Bryson and Mowbray 2005) the perceptions and understandings of the links between community organisations, the community (Sharp and Inwald 1988) and citizenship (Hain 1999; Putnam 2000) – and how this sets community organisations apart from other organisations – have been important discourses of distinction (McDonald and Marston 2002a; Considine 2003). These discourses have been fundamental to the rise and success of community organisations in the past by institutionalising what it means to be and participate in a community organisation (McDonald and Marston 2002a).

This study found that much of the managerialist discourse that has been adopted in community organisations is not always recognised as a new or different discourse.
McDonald and Marston (2002a) argue that as the traditional understandings, or ‘myths’, of community management discourse become less relevant, they will be replaced with new understandings. Furthermore, some of the discourse now being used in community organisations – which are seen as consistent with community discourse – such as ‘social capital’ has poly-variant discursive uses (Darcy 1999; McDonald and Marston 2002a). Discourses with poly-variant use can be used to further an agenda that other users might not adhere to, but inadvertently engage in through the use of the discourse without awareness of its reinterpretation (Darcy 1999). Terms such as ‘social capital’, ‘participation’, ‘partnerships’ and even the word ‘community’ itself, for example, have been promoted by proponents of neo-liberalism. In their reinterpretations they may better serve to advance these ideologies than maintain community or non-profit discourse (Darcy 1999; McDonald and Marston 2002a; Mowbray 2004).

**Strategy Story # 1: From Collaboration to Commodification**

This is a story about an organisation that looked inwards and made some significant internal changes when ‘outside’ changes created a dilemma.

(This ‘story’ is constructed from extracts of interview transcripts from I-Co9 and I-MC9. These extracts are not necessarily presented here in the order in which they were presented in interview).

*We are committed to community-based provisions. There has been a huge increase in privatisation [in our] sector. So where they were all community-based services that we were supporting, now there is a higher proportion of ‘privatised’. [This] has had a big impact on [our organisation]!*

*We believe that [the services we support] should be part of the community and that people shouldn’t make profit out of [this type of service] because that means that they have less money going to the provision of services, and so more money would be going into the shareholders’ pockets.*

*We have been involved in re-looking at our strategic direction, our focus and our philosophy and mission. We were aware that there were private providers wanting to tap into [our] resources and expertise. We had to be realistic about the future. We don’t go out and directly challenge private provision. We don’t want to make them cranky and draw attention to it. If we continued to tell these people that they can’t actually be part of our organisation, we could end up having those people form their own organisations.*
We also wanted to be inclusive as possible without losing sight of our focus. We had to look at the focus. The focus was [the end client in the community] - so then we should be making sure that there are opportunities for [them]. Underneath that philosophy our aim is supporting community owned service. Not because we thought the [end-client] were better cared for. The reason is that we believe that [the end-clients] are part of the community and nobody should make a profit out of [them].

Community organisations] are faced with a lot of competition from private providers who are offering great packages to try to get the services moved across. So there is a lot of competition from private providers who are trying to move in and take over. There is really enough existing services. They have really got to take over services that are already running - community-based services. So management committees are really in need of a lot of support.

So what we have done, rather than continue to exclude those types of services, we have actually brought them in under a different model, so that they are able to be part of [our] database. We agreed that, acting in the best interest of [the end client], 'associate membership' is how we can include them in the information and at least guide them along to quality. There was a recognition that these people were providing services to the community. We felt that they were better off having the right information, rather than to be left with no support.

The private providers were accessing some information from employer groups, but they didn’t really have the specialist knowledge that [we do]. So rather than those groups being misinformed, we felt that it was better to bring them under our banner, or under our eye - they were better to be a friendly foe, you know, keep your enemies close.

The increased privatisation has been a frustration in some ways, because our philosophies are based on belief in the community model and very much on the sharing of knowledge and resources. [Our members] also share their knowledge [with us]. There might be a policy out in the sector somewhere. We might put a call out to someone to provide this information and there would be one there. We would test that one amongst others. So that new policy would develop out of a lot of people’s shared knowledge.

Initially, we are finding that we were seeing some of our hard-earned resources disappearing. With the increase in privatisation and those private companies, you are suddenly aware much more of your intellectual property and safeguarding that and the sorts of services that we would just naturally had provided before. [This] seems to fly in the face of the old ideas of co-operation and sharing, so you can see our conflict there.

As a community-based non-profit organisation, we are prepared to support, financially, other community-based non profit organisations. [As such] we charge our community members [less than private organisations] and they [our community members] have the full range of services. Our associates, which are the private providers - we charge [more than community members]. [Associate members] have a similar range of services, but not as many, and they don’t get voting rights. The [difference between fees] goes back into [supporting community services]. That’s our way of saying, if you
are taking from the community, then you give something back to the community. The private providers are paying the real cost of membership and our community-based services we are supporting as not-for-profits. We are giving them a discount on membership. Because our community-based provisions are run by volunteers, it’s our way of giving back something to those volunteers.

The philosophy of the organisation hasn’t changed. Our goals haven’t changed. Perhaps even more so now they have come back to what they originally were. Our focus is community-based, our resources apply across the board. We will continue to build and support an infrastructure. That means that community owned services can compete equally with the privately owned providers.

We are remarketing, repackaging. We have done a lot of changing of communication processes, logo, branding and marketing of the organisation. We’ve revamped our image, our brand management. We have remarkeited ourselves with a new image.

Our membership has increased, our partnerships are being extended. That is where it’s all happening and we are optimistic (I-Co9 & I-MC9).

Story analysis:

This story describes a move to commodification of service provision and the conflicts and dilemmas this created within the organisation. It demonstrates how a divergence of discourse and practice can occur within an organisation. External changes brought about a dilemma that resulted in the organisation questioning not only their approach but ‘for whom’ their organisation existed. The decision to commodify their services was not so much a ‘solution’ but a compromise as the discord of ideals was still apparent at the interview – “so you can see our conflict there”.

With the advent of competition, scarce resources and a greater emphasis on economic imperatives, this organisation decided to commodify, or sell, goods and services they had once shared. The external environment had changed organisational practice from cooperation and sharing to a more corporate model of ‘fee for service’. On the face of it, this seemed to be loss of collaboration. Interestingly, although the motivation behind these changes was to support community management; the rationale being to gain resources from one source – who could better afford to pay – to support other clients, services or organisations. This appeared to be an uneasy compromise.
‘Inviting’ the private providers to join the organisation as associate members allowed the organisation some control over the services provided by private providers. It also allowed the organisation to raise some capital to support community based organisations. Supporting private organisations, however, seemingly contradicts stated concerns about private organisations taking the place of community organisations in a limited market.

Spall and Zetlin (2004a) found that ‘enterprise organizations’ carry some contradictions with traditional beliefs’ and speculated that:

Enterprise organizations [might] use decoupling to accommodate the contradictions between some beliefs and organisational systems and structures (p. 288).

Whether or not this level of decoupling could be maintained is questionable. Considine (2003) found that organisations could only tolerate contradictions between their practices and beliefs for a limited period, and would eventually give way to external demands to maintain funding.

The inclusion of members from private organisations also presented issues of product ownership which had not been an issue when the membership was limited to community members. The clash of a collaborative model with a market driven model resulted in the organisation commodifying their resources – and therefore adopting important principles from a market driven approach. Simultaneously, the goals of the organisation were made clearer, and they adapted this approach somewhat to continue to support the community sector. As part of the commodification process they also referred to their services as ‘products’ and had begun to develop ways to promote and sell these products in the marketplace. This level of commodification fits with some of the attributes Spall and Zetlin (2004a) found occurred in their ‘enterprise model’ of non-profit organisations:

Enterprise organizations were statistically different from non-enterprise organizations in their positive beliefs around commercialization of service, partnering with the for-profit sector and management concepts (p. 288).

This organisation shifted from an approach of sharing and collaboration to one of ‘commodification’ – where services previously exchanged freely were bought and
sold to include the private providers. The organisation therefore changed their language and how they approached their business in line with the language and approach of private organisations in order to collaborate with them. That they did not instead insist that the private providers adopt a ‘community discourse’ could be due to the tendency for community organisations to be already moving along the continuum of change towards managerialism in order to ‘build capacity’ (Madden and Scaife 2005; Barraket 2006; Nicholson et al. 2008). It might also imply the dominance of managerialist discourse and the need to use this discourse to engage with important stakeholders (Flack and Ryan 2003). The participants did not believe that they had lost sight of organisational goals, however. Instead they stated that they had maintained, or had ‘rediscovered’, their organisational goals. This fits with Spall and Zetlin’s (2004a) conclusion “that non-profit’s interpretative schema is more robust than initially thought” (p. 285). The apparent contradictions between “you see our dilemma” and “our philosophy hasn’t changed” is consistent with Considine’s (2003) finding that people working in organisations redefine their roles when their organisation is unable to maintain their core values due to external pressure: “consequently, they now define their distinctive roles in comparative terms rather than as absolutes” (p. 70).

Chapter Conclusion

In this study, all participant organisations had adopted some managerialist practices and discourse. The increase in managerial discourses and consequent changes in personnel and practice have changed some structures and systems within these community organisations.

This shift to managerialist discourse and practice highlighted significant tension between ‘old’ and ‘new’ discourses. There were some significant disjuncture in the understandings of the two discourses. These included: what a community organisation was; what motivated staff, management committee members and volunteers to be involved, and; how community organisations are expected to act. In this study there was strong support for ‘traditional’ community discourse and values despite the evident use of managerialist discourse and practices.
Most participants held the view that community organisations were different – that they offered unique and better quality service due to differences that were loosely based on the ideals of caring and altruism. The practices and structures had changed, however, in all the participant organisations to practices supported by managerialist discourse. This highlighted some contradiction or a tension between belief and practice. For example, there was an apparent disjuncture between people’s motivations for joining community organisations (which were informed by community discourse) and the attributes community organisations seek in new personnel (which were informed by managerialist discourse).

This study found that the extent to which community organisations had taken up managerialist practices, structures and doctrines varied greatly. Participant responses in terms of whether they should or were engaging in managerialist practice varied from modest to major changes. There was a clear range of responses in how the participants believed their organisation should act. Small organisations, in particular, tended to argue for the traditional model for both process and values. As these small organisations were also engaging in managerialist discourse and practice, however, the tensions between the old and the new discourses were particularly evident in these smaller organisations.

It must be reiterated here that the relationship between the discourses of ‘managerialism’ and ‘community’ is not a simple duality or dichotomy as these discourses are not at the polar ends of a spectrum or continuum but, as Foucault shows, they coexist, overlap and interact and influence each other (as discourses do). Notwithstanding this understanding of the co-existence and interactions of these discourses, they have, at times, in this study been viewed as opposing discourses simply as an ‘analytical device’ to allow examination of the convergence and divergence of these discourses; In line with Foucaultian theory, however, the data clearly showed that there was a symbiotic co-existence of these discourses into practice. This study found that some movement towards more managerialist practices was advantageous to community organisations. The formalisation of practices, through managerialist discourse and associated genre, had been of some significant benefit to community organisations. Formalisation had resulted in more
transparent processes and more formal structures, which have assisted management committee members to negotiate new accountability expectations, and in some examples, have allowed members access to information that they did not have access to before these processes were formalised. Increased hierarchy in organisations, for example had formalised the management committee member role in some organisations. While flat structures were established to increase inclusion and equity in participants organisations; consistent with the findings of others (Lyons 2001; Keast and Brown 2002; Keast et al. 2006), this study found that in practice, flat non-hierarchical structures often had fewer safeguards from exclusionary and inequitable practices than more hierarchical ones due to informal models supporting exclusionary processes and significant power imbalances.

In this study, there was some evidence of a lack of awareness of the change in discourse and the effects of this discourse on changes at the organisational level. Change within organisations was largely attributed to internal processes, and often to specific people within the organisation, rather than to changes being driven by government funding agencies. Conversely, participants provided examples that indicated that the pressure for change was often related to the influx of new personnel with skills and experience strongly informed by managerialist discourse and in direct contrast to the community values most of the participants cited as their reasons for joining the organisation. The general lack of recognition or connection between internal and external changes attests to the power of discourse. As discussed in Chapter 3, discourse can negate the need for overt coercion to the point where the driving force is not recognised as coercion at all (Foucault 1976b; Foucault 1977a; Jepperson 1991; Zucker 1991).

This study found that much of the managerialist discourse that had been adopted by community organisations was not always recognised as a new or different discourse. McDonald and Marston (2002a) observe that some of the new discourse now being used in community organisations, such as ‘social capital’, is seen as consistent with community discourse when it has poly-variant discursive uses. One example of this outlined in this chapter was the participants’ use of the word ‘governance’ to refer specifically to a corporate style of governance when its meaning can be much wider.
Of particular interest was the tension between discourse of ‘specialness’ of community organisations and the managerialist discourse, which assumes the homogeneity of organisations. Most participants held the view that community organisations were not properly recognised or taken seriously by government or the general public. They expressed belief that community organisations were different – that they offered unique and better quality services due to their differences which were loosely based on the ideals of caring and altruism. This belief, supported by community discourse, sets these organisations apart, and gives those associated with them a set of ‘institutionalised myths’ from which to build common understandings. Such myths can unite and strengthen organisations (McDonald and Marston 2002a).

Interestingly, some community organisations are embracing managerialist discourse and practices in order to increase the profile of, and respect for their organisation. In their adoption of managerialism, however, they risk the loss of the ‘specialness’, or perceived specialness, that they are seeking the recognition and respect for. The dilemma, for community organisations is that in a shift to managerialist discourse and practices, and in the quest to be taken seriously or increase respect; they are coopting in a discourse that is founded on the premise that all organisations are essentially the same.

In spite of the apparent tensions between community values and managerialist discourse, all organisations in this study had adopted some managerialist discourse and practices, as evidenced through the significant changes reported in organisational focus, structure and personnel. This is hardly surprising, as managerialist discourse now supports the relationship between community organisations and the government agencies that purchase services from them. The adoption of discourse was not widely viewed as ‘forced’, however, with most participants referring to internal problems or crises as the catalyst for change. Nevertheless, this thesis contends that the tensions resulting from the contradictions between community discourse and practices and the managerialist discourse and practices, had exposed these internal problems or crises in the first instance. As community discourse was unable to resolve internal problems or crises that had occurred in the context of the quasi-market; managerialist discourse had increasingly been used to describe and action.
organisational *procedures*, while community discourse remained dominant in the description and action of organisational *values*. 
Chapter 6: Tensions between Increased Reliance on Community Organisations and the Effects on Organisational Capacity (or alternately: Devolution to Destruction?)

Chapter Introduction

The second tension to emerge from the data collected for this research was the increased reliance on community organisations and the consequent effects on organisational capacity. In this chapter, the impact that these changes to discourse and practice have had on the current and continued capacity of the participant organisations is examined.

As discussed in Chapter 2, neo-liberalist ideals of ‘small government’ and ‘individual responsibility’ have driven government changes that have seen the devolution of much of the service provision from government departments to non-profit organisations. This devolution has been largely based on the premise that locally-focused, community-based organisations are able to provide more specialist, targeted services than government agencies (DoCS 2001; Kirkland 2001; Bryson and Mowbray 2005; Vigoda 2006). While this devolution of services has increased the prominence and importance of non-profit organisations overall (Barlow and Röber 1996; Onyx and Dovey 1999; McDonald and Zetlin 2004; Spall and Zetlin 2004a), this study found that the increased reliance on service provision in community organisations, coupled with increased pressure due to changes to discourse and practice had significantly increased resource capacity issues within these organisations. This chapter describes the capacity issues community organisations have faced and discusses the implications for community organisations.
The main findings raised in this chapter are:

- Reports of significant funding stress intensified by increased need for services, new funding and accountability expectations, and short-term and competitively based funding;
- Small community organisations were finding it particularly difficult;
- Frustrations were voiced within a discursive model based on the ‘funding’ rather than ‘purchasing’;
- Doing “more with less” was an important element of the community discourse – including the wide use of ‘paucity strategies’;
- Use of paucity strategies had become more difficult within the ‘conditions of possibility’ of the managerialist discourse in the context of the quasi-market;
- Apparent contradictions and double-standards in government behaviour make the discursive changes more visible;
- Strong volunteer discourse with increasing reliance on volunteers in some organisations;
- Volunteers becoming more difficult to recruit and manage in the context of the quasi-market and associated managerialist discourse and practices;
- An emergence of the non-voluntary ‘volunteer’, and;
- Endeavouring to address resource issues using community discourses in the quasi-market context was increasing frustration.

Increased Service Needs with Less funding: or “Doing More with Less”

A major challenge for community organisations, in this study, was insufficient funding and resultant financial instability. Funding and resource issues were raised by all participants. The main issues participants raised were: insufficient funding and issues associated with short-term and insecure funding.

Insufficient funding was cited as a challenge or frustration by most participants.

No money! Basically everything we do is so tightly budgeted (I-Co2).
Insufficient funding would be the biggest frustration. It always comes down to the dollar (I-MC2).

Increased demand for service provision with changes to government policy

In this study, there was clear evidence that the devolution of service provision from government to the non-government sector had increased the service demands in their organisations. Almost all participants reported an increase in need for their organisations to provide services. The increasing need for community organisations to provide services with the decrease in direct government service provision had also put extra pressure on scarce funding and other resources:

There has been no [funding] cuts but the service has grown. The needs for the services have grown (I-MC2).

Almost a third of interviewees also made specific reference to the effects of wider government policy and/or the ‘knock-on-effects’ of the devolution of government service provision. These participants reported that the consequences of wider government policy and devolution of government services increased the need for their organisation to provide more services, and/or a more diverse range of services to more clients.

We are bearing a heavier and heavier load, dealing with the difficult stuff that no one else does (I-Co1).

According to these participants, this need for services had been exacerbated by an emphasis on government policy to rely on market forces with many community organisations picking up where the market fails. Government policy aimed at self responsibility also left many people more in need of services. A few participants gave examples of government policy and programs focused on market-place and mutual obligation ‘solutions’ that had or were anticipated to increase the need for support services:
There will be a further impact on us with Welfare-to-Work\(^4\). More and more people will be coming here for our help (I-Co1).

Other economic and social policy changes have also increased the need for services. For example, one participant linked an increase in clients, and the need to provide more services, to economic and welfare policies that, he believed, had increased the marginalisation of some of the groups the participant worked with:

*It’s a change in the times. I think people are finding it harder to make ends meet. One case in question is one where a young man was coming in here for the [name of] program. He would come in the morning and he was totally embarrassed for coming. He was a schoolboy from [name of school] and he would change before he got here to get his breakfast and get his lunch and go to school and change again to go to school. He was embarrassed by it. But both parents were working and all their money was going into paying the mortgage, so it was a constant struggle. I guess that’s happening a lot - it’s a real struggle (I-MC7).*

This supports other studies which have also found that wider economic and social changes have increased the need for the services of non-profit, human service organisations (i.e. (Salamon and Sullivan 2003; 2004; Madden and Scaife 2005):

*The major challenge to capacity building across nonprofit organisations of all sizes, services and nationalities is financial capacity (Madden and Scaife 2005 p. 3).*

**Growth with no ‘Growth Funds’**

A commonly-cited frustration was an increased need for services and a subsequent rise in costs, often associated with a decrease in funding, at least in real terms:

*[Funding] does reduce, because what we experience, particularly in the state level, is that the increases per year, do not keep anywhere near up with the cost increases. For example, we’ve just had massive increases [in costs], but there no change to the funding. It gets tighter and tighter and there is less room for flexibility (I-Co8).*

*The ever increasing costs of everything and to work it into your budget on an annual basis – that’s one of the big tough ones we’ve found – to meet the increase of costs against everything else (I-Co5).*

\(^4\) ‘Welfare to Work’ : Federal government social security policy, purportedly, aimed at assisting the unemployed to make a transition to work

http://www.workplace.gov.au/workplace/Programmes/MovingIntoWork/AboutWelfaretoWorkreform s.htm
In the late 1970s and 1980s government funding to non-government organisations was regularly increased to encourage and reflect growth of the community sector. These increases were often referred to as ‘growth funds’ or ‘top-up-funding’. In NSW government funding policies changed in the early 1990s to a general policy of ‘no growth funds’ in most of its funding programs. As a result, funding has not increased in real terms for community organisations since then: with funding ‘capped’ or set at a specific level increasing only in line with the Consumer Price Index (CPI) (Kirkland 2001).

In this study, this lack of growth funding was raised as a significant ‘challenge’ to community organisations by almost half of the participants. These participants reported that CPI increases did not reflect the real rise in costs of managing an organisation with services and/or client bases growing and general costs of providing services had increased although their core funding had not:

“There is no growth funding in [name of funding program]. And the fact there will never be any more money coming after CPI is a big frustration (I-MC2).

One of the biggest issues is the lack of ‘top-up’ funding. Because our funding doesn’t increase by [more than the] CPI. Our funding increases by about 2.4% a year but the real costs a year are obviously much more than that, about 3.8% last year (I-Co1).

A decrease in funding in real terms, which coincided with a growth in demand for services was articulated by more than a few participants as being expected to “do more with less”:

“There is never enough money and you are expected to do more with less (I-MC3).

Impact of New Accountability Measures and Legislative Requirements on Organisational Capacity

In this study, another major pressure on organisational resources were the new accountability and legislative requirements. More than a third of participants
reported that increased bureaucratisation and the complexity of contracting systems took time away from service provision and other activities.

**Increased Administration and the Effects on Service Provision**

According to approximately half of the participants, extra paperwork associated with the changes to accountability and reporting had greatly increased the workload in community organisations. These participants reported that increased paperwork took time and resources away from other activities within organisations and that high accountability requirements and low levels of funding created challenges in maintaining both service provision and organisational management:

*We just seem to be chasing our tails, trying to find time for volunteer management committees to sit down and go through our constitution or make sure all our policies are up to date, our procedures (I-MC2).*

*I think the reporting becomes much more difficult. We were spending most of the time doing reports and not doing the casework (I-MC3).*

Another pressure on workload was the different expectations of different government funding agencies. About twenty-five percent of participants reported that the expectations of funding bodies were not homogenous between or even within departments. These participants reported that different expectations of government departments and different funding programs in the same department, increased workload and made the task of securing funding more complex. Workload was also increased as some funding bodies continued to develop new requirements and measures during the funding period.

*How to be accountable to more than one government department? And they have different rules! We might be accountable to Council on the local level, then we might be accountable to DoCS on the state level and sometimes you might have to negotiate with both parties and they don’t mix together. You’ve got to do it independently (I-MC5).*

*Then there are all the different accountability requirements of different funding bodies, which are again another drain (Co1).*
Effects of Legislative Changes

Coinciding with new accountability requirements for community organisations had been an increased focus on and awareness of legislative changes to public and private liability with which community organisations are expected to comply. Almost half the participants in this study reported that legislative changes had increased the complexity of the provision of services. This is consistent with Hough et al. (2006) who found that current legislation is now more stringent and onerous than previously. Others report that these new requirements divert time and resources from other organisational activities (Nicholson et al. 2008).

In this study, the cost of training and implementation of compliance to new legislation presented another challenge for most organisations. Frustration with the difficulties of funding and keeping up to date with legislation with already stretched funds was expressed by almost a third of participants.

*I think [the new Occupational Health and Safety legislation] is challenging and frustrating. The obvious costs involved for certain aspects of it. We don’t have any budget in place for specific equipment or something that needs to be upgraded to meet with OH&S requirements. If we see something risky, then we, if we are able to, have to eliminate or use bandaid measures until we can look at another alternative. So we are more likely to bandaid it rather than eliminate it (I-Co5).*

Hough et al. (2006), who explored director recruitment and engagement in non-profit organisations, found that compliance to new legislation requires new knowledge, extra time and other resources without additional funding, training or other resources to assist organisations in transition.

Two interviewees and a number of focus group participants, identified a particular difficulty that some community organisations were having in complying with legislative changes, due to the complexity and range of the services their organisations provided. According to these participants, a diverse range of services offered in a multi-service organisation meant that workers and management needed to have knowledge of and comply with a range of legislation. This increased the cost of training and compliance:

*Trying to keep up with all the changes that have legally been administered. This is almost impossible, it’s a frustration to keep up with*
it, because we do so many things. If you work in the food industry you have comply to all the legislation to comply with that. But when we do so many varied things you have to comply with everything so it’s getting harder to keep up with all the changes (I-Co7).

Participants also reported contradictions and conflicts in compliance. One such example was the dilemma raised in the second focus group where the organisation was required to have deadlocks on the centre to comply with their insurance policy and prevented from having deadlocks to comply with OH&S policy, which requires unrestricted exit even when the centre is closed:

Because this is a public place we are not entitled to get deadlocks because a person who gets in must have very easy access to get out, even if he is a thief, yeh that’s right. But from the insurance policy we must have a deadlocks (FG2).

The new accountability requirements and changes in legislation therefore put extra pressure on the resources in community organisations. This is also consistent with the findings of Nicholson et al (2008):

Risk Management and Financial/Accounting issues weigh heavily on the sector given the increasing compliance and liability demands (p.12).

Both the studies of Nicholson et al. (2008) and Hough et al. (2006) included non-profit organisations that were not community managed. This study has built on the knowledge generated from those studies by finding that resource pressures due to legislative changes are shared by community organisations and the wider non-profit sector.

**Competing for Staff: Increased Managerialism and the Impact of Associated Personnel Changes on Organisational Resources**

As discussed in the proceeding chapter, the expectation of community organisations to act more like businesses and the increase in managerialist discourse and practice has meant that community organisations are increasingly recruiting new staff from the same skills and experience pools as other sectors. This is due to changes in the experience and qualification requirements of some staff in community organisations becoming more similar to what is sought in other sectors. Low funding and poor award conditions relative to other sectors, however, have made it difficult for
community organisations to compete with other sectors for these staff. This has put further pressure on scarce organisational resources.

**Difficulties Attracting and Retaining Staff**

In this study, staff costs far exceeded all other expenses for almost all of the participant organisations. Participants representing almost half the organisations in this study reported that their organisation had retrenched staff and/or reduced staff hours due to cuts or fluctuations in funding:

- [Six years ago] we had two major projects cut. Not just cut funding, but cut staff (I-MC4).

Then we had a re-structure of the whole organisation and three workers’ hours were reduced by one day. Basically in a nut-shell the organisation shrank, it had to shrink because of financial constraints and so we were all trying to do the same job in less hours (I-Co1).

Almost all participants reported difficulties in attracting qualified and/or experienced staff:

- At the moment our biggest challenge is getting staff. We have recently advertised one position three times now. So getting appropriate staff and keeping them [is a challenge] (I-MC6).

A major issue was the inability of community organisations to compete with organisations from other sectors for staff. Organisations in the non-profit sector are typically unable to offer the same level of remuneration as organisations from other sectors. Staff employed in the community sector fall under an Industrial Relations Award with poorer pay and conditions, relative to most other sectors. Community Workers in NSW, for example, are most likely to be employed under the NSW Social & Community Services (ACT) Award 2001 (SACS Award) while there have been some significant improvements in this award over the past five years it is nonetheless inadequate relative to the award conditions of the public service or the private sector (Australian Services Union 2007).

In this study, the limitations of the IR award were specifically raised by five interviewees and in two of the four focus groups:

- I think that in our sector the award is just crap. It would be good to attract and keep good quality staff members (I-Co5).
Funding bodies tend to fund organisations according to this award. The funding received therefore usually only allows organisations to offer remuneration at the award rate unless they have some other source of funding. These pay discrepancies have been seen as a conventional feature of community organisations – poor pay being an extension of the volunteering discourse (Cunningham 2008). Being able to pay staff less in community organisations than in their own government departments to perform similar services is one of the reasons that community organisations represent good value for money to government (Considine 2003).

**Effects of Managerialism – Competing with other Sectors for Staff**

New accountability expectations from governments – including being expected to act more like a for-profit organisation – has meant that organisations were now often looking for staff with management skills. In the present study, participants representing almost half the organisations in the interview sample reported that there had been a significant shift in what they wanted from their staff:

*There has been a change in the sort of accountability we want from our staff (I-MC1).*

A few participants reported that their organisation had significantly changed what they wanted from a coordinator. While typically coordinators had some type of professional qualification which related to the core business of the organisation such as Welfare, Social Work or Community Service, there had been a shift towards looking for coordinators (or the Chief Executive Officer [CEO] as these organisations tended to call them) with business and administration qualifications and experience. Two organisations in this study have recently employed a CEO with business experience, and another had employed a CEO who was an accountant and economist.

These participants reported that they were recruiting from the same ‘skill pool’ as many private organisations or public entities without being able to offer competitive rates:

*We can’t compete with the private providers (I-MC9).*
Apparent Contradictions between Government Policy and Practice

In this study, significant frustration was expressed with governments wanting organisations to adopt managerialist practices but not providing the necessary resources for organisations to achieve this. Furthermore, some participants gave examples of instances in which they had been ‘out-priced’ by government departments competing for the same staff.

As one participant pointed out, some funding bodies require organisations – through specification in purchasing and tender contracts – to employ staff with particular qualifications and skills. This participant expressed exasperation that, while requiring these criteria, the funding bodies did not fund their organisations sufficiently to reflect a competitive rate for this level of qualifications:

The same funding bodies who are outpricing us, are the same ones who set the standards for our recruitment, so all our staff have to have tertiary qualifications of some sort. And if have done a university degree in Social Science, you expect to do better than $25,000 a year. But that is not what the funding bodies say (I-Co8).

One participant alludes to the contradiction in government funding bodies requiring a higher level of professionalisation but not providing sufficient funding to renumerate the type of CEO they had identified they needed as part of their change process:

Our major issue with our change process was identifying how we were going to be able to afford a CEO. They have made us professional, now fund us as if we are professional’ (I-MC8).

A few participants expressed significant concern and frustration that staff with the same or similar qualifications employed by government departments were paid significantly more than government funding allowed them to pay their own staff:

We are advertising for a social worker for a particular program and the most we can pay is $35,000 a year because that is what the award is. But at the same time, the department of community services are advertising for the same sort of people and they are offering $72,000. So what chance do we have? It’s pretty unfair! (I-Co8).
This was not a new issue for the majority of organisations. To some extent this pay discrepancy had been accepted as a consequence of working in the community sector. Differences in remuneration have, however, become more pronounced as community organisations are increasingly sourcing staff – particularly coordinators – from the same recruitment pool as other types of organisations. As economic pressures, changes in government policy and funding arrangements have increased competition between sectors, it has become increasingly imperative that community organisations are able to offer competitive rates of remuneration to attract and retain qualified, experienced staff.

A number of participants asserted that the difficulty competing with government departments and/or the private sector had contributed to a high turnover of staff in their organisations:

“You don’t keep them ‘cause they have quite good skills and can get a job in another sector. And if you don’t pay them good, they’ll leave” (FG3[A]).

All the participants from regional NSW reported that competition to attract and retain staff was particularly arduous. In areas where populations were declining, the skill-pool and choice of qualified staff was greatly diminished and competition with other sectors was more severe:

“That is one of the great regional issues - because the catchment is small, we don’t have a high turnover of people in the community. We have to rely very much on a turnover of teachers and say, their wives and public servants coming through. In this area, this has diminished quite dramatically over the last five, eight, nine years (I-Co8).

In this study, a number of participants reported that their organisations had tried to compensate for the pay discrepancies by offering other favourable conditions of employment such as ‘family friendly’, flexible work conditions, although they reported that this was only marginally effective:

Whilst we pay above the award conditions now, it still doesn’t go anywhere near what people are getting in the private sector. While we offer a family friendly workplace, we are quite flexible in that way, and there are probably a couple of days of more flexible leave, we still can’t compete in a monetary way with the private providers (I-MC9).
Value for Money

The low cost of personnel due to their ability to use ‘paucity’ strategies to mobilise volunteers and staff who will work for poor or no pay (Wagner and Mlcek 2005) may be a motivator for government to contract community organisations (Ramia and Carney 2000 p. 63). To further the contradiction, while funding accordingly to a charity model some government funding bodies are calling for non-profits to look beyond the charity: “‘Change not charity’ is an increasing catchcry from funding sources for nonprofit organisations” (Madden and Scaife 2005 p. 2).

Expecting community organisations to act like for-profit organisations but not providing them with the resources to do so was a source of significant frustration:

Not recognising the inefficiency around this is bizarre – because some of those workers move on. You don’t keep them ‘cause they have quite good skills and can get a job in another sector and if you don’t pay them good they’ll leave. Whereas if you can keep experienced staff you get really good quality work (FG2).

The last sentence of this quote might provide some insight into the apparent contradictions in government policy and practice. This quote demonstrates the problems that can arise from using one discourse to interpret another. Much of the frustration expressed around funding, particularly underfunding and lack of growth funds was due to the participants attempting to make sense of the new managerialist discourse and practices through the lens of a traditional community discourse model. In the community discourse model, “really good quality work” is an appropriate goal. In managerialist discourse, however, ‘really good quality work’ might very well be secondary to other goals such as ‘value for money’, for example. In the purchasing model governments would not choose to pay for a quality of service they do not require. The ‘conditions of possibility’ in the managerialist discourse in the quasi-market situation do not allow for community organisations to be funded to provide a standard of service that they consider appropriate. What is purchased and to a great extent the price they will pay for the purchase is decided by the government funding agencies. In the quasi-market model, if community organisations insisted on being renumerated for the amount and quality of services they chose to provide they might actually price themselves out of the market.
Conversely, looking at this from a managerialist lens, governments may not currently be getting value for their money, if they are not providing sufficient funding for community organisations to meet government expectations, and attract and maintain professional staff without significant difficulty. Paradoxically, poor funding may also be thwarting other devolution goals of governments such as utilising the existing relationships and the capacity of non-profit organisations to build new relationships (DoCS 2008). A high turnover of staff can make it difficult to build and maintain informal and formal relationships with clients, the community and other organisations (McDonald and Zetlin 2004 p. 274). Le Grand (2007) contends that models of trust in contexts, where performance is difficult to measure – such as human welfare services – are more cost effective than models that have high monitoring and supervision. Furthermore, Le Grand (1991) contends that: “properly costing activities can improve efficiency through improving decisions about resource allocation” (p. 1263). To maintain some of the features of community organisations that informed the devolution process beyond ‘value for money’ and for change to occur beyond the rhetoric, government funders would need to properly price the cost of service provision so that community organisations need not resort to ‘paucity strategies’ to survive.

The Impact of Competitive Tendering and Short-term Project Funding

In this study, competitive tendering and an increase in short-term funding have put significant pressure on organisational resources. More than two-thirds of the participants reported that funding issues had significantly increased in the past five to ten years, coinciding with the changes from ‘funding’ to ‘purchasing’ and ‘contracting’ and the associated competitive tendering arrangements.

Current purchasing contracts and associated competitive tendering had removed past relative certainty and continuity of funding. About half of the participants reported having experienced a significant shift from relatively certain funding to major uncertainties in terms of how much funding they will get or, in a few cases, whether they will get any funding at all:
Almost all participants reported a significant growth of short-term project funding, in lieu of long-term or core funding. All of the organisations represented in this study had tendered for some non-core, time-limited, usually project-specific funding in the past five years to supplement insufficient core funding. More than half of the participants raised specific issues that the insecurity of this type of funding presented to their organisation.

This study found that short-term funding and an increase in competitively based funding had increased the level of insecure funding for community organisations. This finding provides empirical evidence for concern raised by many other commentators regarding the issue of the increase in short-term funding for specific projects and the impacts they have had, or could potentially have, on non-profit organisations (Australian Council of Social Services 1997; HRSC 1998; Neville 1999; Considine 2003). Madden and Scaife (2005) also found that the instability of this type of funding has significantly increased funding stress in community organisations.

To understand the impact of short-term project funding and competitive tendering on community organisations, it is important to understand the funding arrangements prior to the changes in funding and accountability. As discussed in more detail in Chapter 2, prior to the introduction of purchasing contracts and competitive tendering, most non-government community organisations were funded on the basis of historical arrangements with funding and performance agreements renewed annually, with little variation from year to year (DoCS 2001). In this study, almost all the participant organisations had been funded on a year-to-year basis, as described above, prior to the changes from ‘funding’ to ‘purchasing’ and the associated introduction of contacting and competitive tendering. Now, this relative stability of funding – albeit often underfunding – has all but disappeared, coinciding with the devolution of service provision and associated changes to funding and

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3 The only exceptions were two organisations that had never received core funding and did not employ any full-time staff
accountability. According to participants in this study, the replacement of relative stable funding with short-term, highly prescribed, or tied funding, and competitive tendering have resulted in significant funding uncertainty for community organisations.

In this study, almost all participants reported that competitive tendering had increased funding uncertainty in their organisation:

We were initially funded through [name of dept] and we were only funded for six years. So it was a battle then to see who would pick it up as a currently refunded service (I-Co5).

The extent to which these changes affect individual organisations has varied. Almost a third of organisations in this study have actually increased their ability to mobilise and attract funds. This is consistent with the assertions of others that some organisations will be more advantaged by changes to funding and accountability processes than others due to informal and formal relationships and associated imbalances in power (Australian Council of Social Services 1997; HRSC 1998; Neville 1999).

In this study, participants reported that another pressure on funding stability occurred due to the conditions of funding and accountability varying for one government funding agency to another. A few participants, for example, who received funding from multiple sources, indicated that some government funding bodies had less reporting expectations and/or were less prescriptive than other government departments. They also reported that where a funding relationship had existed prior to the changes in funding and accountability the new contracting arrangements were usually less restrictive than where there was no prior funding arrangements. Organisations with prior funding from DoCS were most likely to report less change and prescription in DoCS funding requirements with the change from funding agreements to contracting:

But in many ways DoCS are easy. They are very good colleagues (I-Co3).

One of the major changes that we actually found was that [the Department of Urban Affairs and Planning] were very strict with the budget. You had to actually submit the budget according to how you were going to use the funds and you actually needed approval to move
That money around. Whereas in DoCS funding, it’s not as stringent (I-Co5).

While a few participants reported more flexibility in some of the older programs (such as DoCS’ Community Services Grants Program [CSGP]), they also reported that the relationship between their organisation and the staff at DoCS and other state funded programs was changing at the time of the study. While participants from a few organisations reported that their organisations had continued to receive much the same funds through purchasing contracts as they had through the previous funding arrangements, all participants reported major changes in funding and accountability arrangements. As detailed above, participants reported that with the shift from funding to purchasing, the changes in funding and accountability had increased prescription and centralised control in most government funding programs, including those administered by DoCS:

I think with DoCS the accountability has been tightened over the last couple of years. It’s not just the accountability, it’s also the development of the service specifications and so forth as well (I-Co5).

In trying to meet increased demands and costs, to avoid the necessity of ‘doing more with less’ all participants in this study reported that their organisations had tendered for some short-term project funding. The impact of short-term funding varied, however, depending on the circumstances of each organisation. For more than half of all the participant organisations, short-term funding was used to supplement their organisation’s core budget – with core funds being largely reported as insufficient to meet increasing service demands.

According to participant reports, at least a quarter of the participant organisations had lost significant funding and/or their previous funding agreement had been revoked so that all funding they now received was subject to competitive tender, time-limited and usually project specific– these organisations now relied on funds ‘won’ through tender for their core funding needs. Two very small organisations in this study had never received core funding and relied solely on time-limited, project-specific type funding.
Although all organisations now rely more heavily on time-limited, project-specific funding, the impact of this change is dependant on their level of funding from other sources.

The tension of the discourses is again apparent in participants’ responses. Most of the participants appear to be reporting from the perspectives of a traditional discourse of ‘funding’ to describe a new world order where the discourse is situated in the quasi-market with the context being ‘purchasing’. In a quasi-market discourse, that all purchasing of community service provision is not subject to competitive tendering is more surprising than that some of it is and that this is increasing as new programs are introduced.

**From Bonus to Necessity**

As detailed above, participants were concerned about what was described as an increased need to ‘rely’ on short-term project funds to balance the budget. Historically, short-term projects brought in extra money for the organisation and provided supplementary services. Participants in this study reported that time-limited, project-specific funding was now more likely to contribute towards basic (or core) costs, due to less (or no) core or long-term funding opportunities. Short-term project funds have therefore become more of a necessity than a bonus for more than a third of the participant organisations.

A number of participants specifically reported that due to an increased reliance on short-term funds to cover the overhead costs of their organisation, there was a constant need to apply for short-term, project-specific funding:

> The other drain is the constant need to create new services to get more funding, because of no continuation funding options and the lack of proper funding. So you have to kind of invent projects that will get you some funding (I-Co1).

Some participants reported that the use of time-limited, project-specific funding to supplement core funding was also having a negative impact on organisations. The main impacts cited were: new effective services ceased prematurely; increases in the need for services due to introduction of new clients; insufficient funds so that costs
need to be taken up elsewhere; difficulty engaging in future financial planning; increased administrative workload, and; unfair and non-transparent allocation of funding and poor practices at the funding agency level.

One issue raised was that when a project was completed according to the funding contract, often the services were still required. Almost half of the participants cited examples where short-term funding was finished but some type of service provision to the clients was still required on an ongoing basis:

*There is a lot of short term funding out there and it's great and we all scramble for it. But then when [the short-term projects] end, workers and skills are lost and clients don’t stop coming. And I don’t think it’s a good solution. Basically we lose the worker, we lose the skills. But we don’t lose the clients. The clients still keep on coming. That’s the problem with short term funded projects once the project goes the clients are expected to fall off a cliff and disappear I suppose. But they don’t, they keep on coming (I-Co1).*

*There are projects that are so big you just can’t finish them in one year. You just have to do what you can do with the money in the time (FG2).*

Participants representing more than a third of the participant organisations described incidences where other funds were used to supplement short-term funding and/or continue services when funding ceased because there was still a need for these services in the community:

*[Funding] often is only just for that project so your organisation still carries the overheads and stuff (FG2).*

*We lost funding for a community technology centre. That was always going to be lost - that was only short term funding. But, the youths depend on these computers in this office. So we have had to find money out of our existing budget to be able to maintain the technology which is difficult (I-Co2).*

This discontinuation of programs, seen as successful, at the end of set funding periods appears to be at odds with DoCS’ (2008 pp. 1-15) recommendation that organisations draw “on proven and tested practice approaches and service model to guide service and program design and delivery”. This not only impacts on the clients but also workers in the organisation as they are required to initiate new project ideas and learn new skills to be able to execute the new programs (Considine 2003).
In this study, participants reported that there are often extra costs and time incurred in staff training, equipment, facilities and other resources required to identify new program ideas to attract new funding. Participants reported that these extra costs were rarely reflected in the funding offered.

More than a third of participants reported that an increase in short-term project funding had made it difficult to engage in future financial planning. These participants reported that budgeting for significant variations in funding is difficult to do when there are set overhead costs:

*The main challenge and frustration has been the very turbulent funding pool that we have been in. We have been on a short time limit of funding for a number of sections of the organisation (I-MC9).*

*When you apply for a particular project you may have five projects then in two years time you may only have three. So obviously your costs are going to go up for each of the projects to actually contribute to the core funding. And I think that’s where government are not realising that small orgs are just struggling to cope with that (FG4).*

*Well, it’s an issue. With losing the funding for the project too. We are getting the same costs as then, shared by two projects instead of three (I-Co3). We have to make sure we manage our money even more carefully and that means there is more pressure on the workers to be careful with the money they spend (I-MC3).*

As detailed above, the main overhead cost for almost all participant organisations were staff costs. With the exception of two very small organisations that had no paid staff, participants reported that staff costs made up a substantial proportion of organisational budgets. The decrease in the stability of core, or secure, funding therefore had the most effect on engaging and retaining employees. About half the participants cited examples of where their organisation was unable to offer secure employment or had to cut staff due to fluctuations in funding:

*We didn’t know if we were going to receive any funding at all. We were at the point where we were about to give staff their notices (I-MC9).*

*The delays in knowing what was going to happen with the funding. Very bad for the morale of the staff. I couldn’t offer anybody continuity of employment (I-Co9).*

*We have to tell the workers it will only be short term. We try to find a different way of getting the funding from a different source (I-MC6).*
According to participants, the increased level of funding uncertainty had greatly decreased capacity to retain qualified and experienced staff for almost all of the organisations in this study. Short-term project funds do not always cover all the costs associated with a project. In this study, many projects were reported as ‘under-funded’, leaving the costs of administration, and sometimes even labour, to be absorbed by the organisation:

There seems to be few one-off grants that you can apply for that include overheads or even staff hours (FG3).

Other studies have also found that some government grant application and tender processes require organisations to meet some overhead costs and provide some services ‘in-kind’, which can result in further pressure on scant resources (McDonald and Marston 2002a; Madden and Scaife 2005). This issue extends beyond this study and even Australia. For example, the Canadian Centre for Philanthropy (as cited in Madden and Scaife 2005), notes that organisations are concerned about the lack of more stable, longer term funding.

Again it depends from which discourse the data above are viewed from. Certainly, from the participants’ perspective the impacts of short-term project funds and competitive tendering have on their organisation appear unfair and the community organisations are doing what they can to keep the services available despite resource issues. If the data above were viewed from a managerialist discourse lens, however, many of the practices the participants reported, including using short-term insecure funds for overheads and continuing service provision without resources, might be viewed as incompetent rather than resourceful.

Competitive Tendering and Increased Workload

Changes in contracting and tendering have led to significant pressure on organisational time resources. In this study, most participants reported that the new accountability expectations had increased time pressure on staff and management committee members, particularly in the initial stages. The amount of time and other resources that go into the application and reporting processes of multiple short-term projects was raised as an issue by more than half of the participants:
I don’t think that they, the [specific government department] staff really understand the hassles for small community organisations that have to look for funding (I-MC3).

About a quarter of participants reported that the cost of training staff in the new funding expectations and legislative responsibilities was often a significant cost to their organisations. This cost was increased by the continuing evolution of government policy and high levels of staff turnover (discussed in more detail below):

The costs for sending out staff for training is unbelievable - or even getting someone in here to do training for everybody. Yet none of this is really accounted for in the funding, not to the degree that we have to [spend] (I-Co4).

In this study, about a third of participants reported that their organisations had strategically applied for multiple projects at any one time to ensure the sustainability of their organisation because funds for individual short-term project usually only covered a relatively small percentage of their organisations’ overall costs and there was no guarantee of successful tender with each application in the context of competitive tendering:

[It] is about diversifying and attracting more funding so as to have less reliance on one source (FG1[C]).

An impact of competitive tendering expressed by about a third of interviewees was that it diverted time and resources from other organisational activities, including service provision, networking, and community development. One participant, for example, estimated that at least 25% of her time as a coordinator was taken up with applying for funding:

The need for a coordinator all the time scrambling for funding. That’s what I do I just spend all my time scrambling - what I like to be doing is community development. I’d like to be seeing my clients and seeing what they need and seeing what the emerging trends are and that but all I’ve got to do is run for money all day (FG4).

The constant challenge is finding funding (I-MC7).

There is a need for managers and co-ordinators to be constantly applying for funding which drains the resources further (I-Co1).
Madden and Scaife (2005) also found that applying for short-term funding, particularly through competitive tendering processes, takes time resources that have increased the overhead costs of community organisations considerably.

In this study, a few participants expressed frustration about the amount of time and resources needed to prepare tender applications when there were no assurances that the grant would be ‘won’:

*There were meetings every week and people were taking bits home to write. It was months and months of work and they didn’t get [the funding] (I-Co1).*

About a third of participants also expressed concern that the level of work involved in tender applications was often out of proportion with the level of return:

*A lot of people are saying now that for the amount of money, it’s just not worth it (FG3).*

Other studies support this finding that competitive tendering can increase issues associated with short-term funding projects, such as increased funding uncertainty (Considine 2003), increased the incidence of under-funded projects, and diversion of resources away from service delivery (Nicholson et al. 2008), community development and wider networking (O’Shea et al. 2007).

**‘Bending’**

Meeting community needs, within the context of competitive tendering and more short-term funded projects presented new challenges for community organisations (as detailed above). In addressing these challenges, some ingenuity was required to engage in the increased complexities in applying for funding.

In this study, developing strategies to work with the changes in funding and accountability criteria with the goal of matching identified needs to funds was described as important by a number of participants. Participants described incidences where locally identified needs were reshaped or rearticulated so that they
corresponded with globally identified funding criteria. This strategy was referred to by one participant as ‘bending’:

- You have to bend your project to fit their criteria (FG4).
- You have to reinvent according to what is available through the funding bodies and what they have decided is fashionable at the time (I-Co1).
- You’ve got to actually grab some funding and then try and fit what you need to do in your community services (FG4).

‘Bending’ often involved the rearticulation of identified needs written into funding submissions and tender applications in a way that was most likely to produce a favourable result. There was general discussion and consensus in three of the four focus groups and raised by a couple of interviewees that how the submission was written - the style of the writing – was at least as important (if not more important) than what was written – that is, the content of the submission. These participants discussed strategies they used to assist in the writing of tender submissions and other documentation in ways that brought forth the most favourable response from government funding bodies in the context of competition:

- Submission writing is an art form. …You need to know the language of the time because it changes every year (FG4).
- I have got a lot better [at tender submissions]. I’ve learnt to use the key words. But, it is very frustrating because I find it, not degrading, but not honest. I know you have to use certain words and if I use them, I have more chance. It shows what a good storywriter you are (I-MC10).
- ‘Cause it’s the way you write the thing that depends on whether your application is approved or not (FG3).
- The successful funding I’ve received has been when I’ve repeated ad infinitum throughout the application the words that they use in their selection criteria. They’re the ones I get, you have to keep repeating this is.. whatever it is they are saying that they want to fund, you know, whatever it is, a ‘cooperative approach to’ then you use that ten times (FG4).

According to participants in Focus Groups 2 and 3, the focus on how well tender applications and other communications were written skewed the tender process to those who could write well, making the tender application and reporting processes particularly difficult for those who found writing a challenge, did not have
experience or a good model for submission writing or did not have English as their first language:

*Especially people from ‘CALD’ [Culturally And Linguistically Diverse] backgrounds because you know we are not as good at the English part of writing. Okay, so it’s another sort of difficult part of applying for grants (FG3).*

The belief of participants that they can ‘bend’ funding requirements through writing good submissions or any other means may actually be assisting governments to keep control of service delivery by stealth. On analysis, ‘bending’ almost exclusively resulted in a bending of the organisation’s requirements, or the community’s identified needs, to fit with government requirements rather than bending government requirements to fit with the needs as identified by the organisation. Of particular interest in this reframing at a practical level was that it was not largely recognised as such, but as a way to achieve ‘business as usual’.

As government funding agencies became more prescriptive, this ‘bending’ - which had allowed some semblance of ‘business-as-usual’ - had become more difficult. In the context of highly prescriptive funding programmes, locally identified needs tended were often altered (or bent) in order to maintain or attract funding.

**Inequitable Processes**

In this study, funding inequities of selection processes within some competitive tendering programs were raised as a concern. Five participants expressed concern that the organisation that ‘won’ competitive tendering grants did not necessarily have the greatest community need, nor were they necessarily best equipped to provide the service:

*But they have no experience in working with the Aboriginal community. We had the experience and they had the funding (I-MC6).*

*The whole room was set up with 23 computers and every type of equipment and only a few use it. That group gets funding all the time. I’m not against it, but I felt that it was a waste of money- they didn’t need 23 computers and top range of everything (I-MC10).*
The observations and/or concerns of participants in this study provide further empirical evidence for the concerns of others that in a competitive tendering environment, some organisations are better placed to win tenders than others (Neville 1999; McDonald and Marston 2002a; Audit Commission 2007). These authors/commentators assert that the processes used to select ‘winners’ are not necessarily based on merit (Ramia and Carney 2000; Considine 2003) or genuine competitions (Ramia and Carney 2000).

More than a few participants raised concerns that the accountability on the side of the funding bodies to provide transparency in selection processes was often lacking or not attempted:

I would have to say that I was quite shocked by the incompetence of the senior government departments that I assumed would be well run by competent people. When we took over the contract for [funding program] there was no upper or lower limit on the contract and halfway through the contract they discovered they had overspent so unilaterally they changed the contract that everybody has signed… [They] reigned in the budget and to do it they had to change the contract. I'm just shocked at the way the contract has been run because I thought governments did them properly and there is such an expectation on professionalism on small organisations to do this within a certain time and to be so professional and you know so competent and then you look at the government’s professionalism and the timeframe they work under and all the rest of it—it is an absolute dual standard and it is not right (FG3).

A few participants were also dissatisfied with the amount of time it could take for funding bodies to advise of upcoming funding opportunities and whether funding applications had been successful. They reported that this time lag, which they saw as unwarranted, greatly increased funding uncertainty and caused unnecessary stress to workers and management:

We will be waiting for months and months and months and then finally they'll put it out and say we need a response in ten days. And then you work like crazy to get it in in the required timeframe and then you don't hear for another six months what the outcome of that was. …they put a lot of stress on small organisations. I just think that there is very much a dual standard (FG3).

There are instances where we started last September say, and we don’t know whether we’ve got it till April next year (I-MC10).

Then we got this letter to say we got funding and the treasurer rings me up and says ‘[Name] we got funding’ and I say 'where from?' ‘cause
we’d just completely forgotten, ‘cause .... it’s been almost a year. And then I got the information on Tuesday and we have to sign acceptance forms and fill in bank details and that to be in by today. So I thought this is ridiculous, you know (FG2).

The ‘dual standards’ and lack of government transparency, described by participants in this study, supports the contention of Considine (2003) that government agencies can expect a higher level of professionalism from the organisations they fund than of themselves due to the quasi-market approach essentially putting governments in a powerful monopoly position:

The quasi-market is controlled by a government department that is the monopoly purchaser of services. This gives senior bureaucrats enormous power to steer this market from behind the safe walls built upon the commercial-in-confidence tender process, and the contracts then written leave the agencies with little room to manoeuvre. In such a system, neither bureaucrats nor successful contractors have incentives to have the details or processes enacted within these contracts exposed to outside scrutiny (Considine 2003 p. 75)

A few organisations in this study, however, had become more strategic in their approach to applying for grants. Participants representing these organisations cited examples where their organisation had made decisions not to tender for particular projects, because the workload was considered out of proportion with the reward:

Most managers spend all their time looking for funds. I have in the past. I will apply but I don’t go out of my way to apply. I don’t want to spend time pursuing grants. For the small amount of funding that we look at, I do this huge amount of work. A huge amount of paperwork for a small amount of funding – no way! I’ll put in the work for decent funding (I-Co4).

Short-term project funding – whether through competitive tendering or purchasing contract processes - is fraught with contradictions. While, supposedly ensuring that government and non-profit organisations are responsive to needs of clients on the ground, it can result in proven programs being discontinued and clients being left without services.

‘Paucity Strategies’ to Address Funding and Resource Issues:
Doing “more with less” was an important element of the discourse of most of the organisations in this study. There was an implied pride, for example, in one participant’s declaration that community organisations are able to exist “on the smell of an oily rag” (FG2).

Not withstanding significant cited frustrations, there was also some sense of ambivalence about limited resources. While all participants reported lack of resources and insufficient funding as an issue, this deficiency of resources was referred to by a few participants as relatively inevitable or part ‘of the lot’ of community organisations:

\[ I \text{ don’t know that you can honestly expect to find funding to cover everything. That would be utopia I guess (I-MC 7).} \]

Finding ways to work with scarce resources was largely seen as an important element of working in a community organisation. Resourcefulness and thrift were dominant themes. A couple of participants believed that part of the role of workers and management in community organisations is to adopt creative solutions to address insufficient resources. Also of interest was that in all of the focus groups there was a tendency for other participants to suggest pragmatic ‘solutions’ to the frustrations other participants in the group raised:

\[ I \text{ think it’s working around your resources. If there’s certain tasks to be done, you have to sometimes work within your resources. That may mean that you may have to change the way it’s done (I-Co4).} \]

Half of the interviewees described specific strategies that they and their organisations had drawn on to negate some of the challenges, such as cuts in funding or limited funding, changes in legislation, and issues attracting appropriate staff and committee members. Some of these strategies are listed in Table 3.
Table 3: Pragmatic Strategies

<table>
<thead>
<tr>
<th>Some Pragmatic Strategies used by participant organisations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saving money through a high level of management committee ‘hand-ons’ involvement:</td>
</tr>
<tr>
<td>I do a lot of food buying. I’ll wait ‘til it’s on special. When we are out doing our shopping, I’ll buy things (I-MC7).</td>
</tr>
<tr>
<td>Cutting back on staff to address cuts in funding:</td>
</tr>
<tr>
<td>We were facing closure actually and so the way that we’ve dealt with that is to actually reduce the staff hours (FG4).</td>
</tr>
<tr>
<td>We are in a healthier position financially and that is because the committee bit the bullet and made some very hard decisions this year and that’s letting go of workers (I-Co1).</td>
</tr>
<tr>
<td>To acquire an affordable facility:</td>
</tr>
<tr>
<td>We came and saw the committee, who welcomed us, but asked us to go onto the committee as well. So to get the venue, we had to go on the committee. A chap on the committee got sick, so he asked me to take over. So we ended up being the committee (I-MC10).</td>
</tr>
<tr>
<td>To be involved in a project the organisation could not tender for:</td>
</tr>
<tr>
<td>There are always ways round it. I have joined the management committee of the group (I-Co3).</td>
</tr>
<tr>
<td>To work within the system at the very edges:</td>
</tr>
<tr>
<td>[To save insurance costs] we can have 249 people at a function and not 250 (I-MC3).</td>
</tr>
<tr>
<td>To be able to offer more competitive rates to attract new staff member:</td>
</tr>
<tr>
<td>We recently had a person resign from their position. We have actually reduced the hours in the re-advertising of that position. Because we want to attract someone of high quality and we wanted to offer an attractive package by reducing the hours. So that’s how in that position, we were able to address the staff retention problem (I-Co5).</td>
</tr>
<tr>
<td>To get a quorum at management committee meetings:</td>
</tr>
<tr>
<td>We ended up last year, making changes to our constitution in order to address these issues [management committee not making quorum], as well to address the frequency of meetings. I think the previous [constitution] said we were to have at least ten meetings a year or something like that. But we have reduced that to four. We knew that was easily achievable to have a quorum (I-Co5).</td>
</tr>
</tbody>
</table>
Paucity Management: Business as usual in a roundabout, limited way

In this study, a couple of participants qualified ‘business-as-usual’, noting some of its limitations:

“So in a roundabout way, we’ve actually continued to do what we were previously doing, but in a much more time limited, outcome focused way (I-MC9).

In our view it probably isn’t very different on the ground. But I think the staff are very aware they have to meet particular outcomes from people pushing things in different directions (I-Co3).

Most strategies adopted were therefore a compromise – arrived at in a roundabout way – rather than the optimum. For the most part, strategies arrived at in this ‘round about way’ were not ‘solutions’. While some level of pragmatism assisted in alleviating some of the challenges of increased expectations, funding and resources issues, some unintended negative consequences surrounded most strategies.

In this study, for example, many of the strategies involved a type of ‘martyr-ism’ – with staff and volunteers volunteering more of their time to counteract the dilemma of being expected to do more with less. This might be somewhat tied up with what Hough et al (2006) describe as a ‘voluntary ethos’. For example, reducing staff hours which was used as a strategy to address funding cuts, commonly meant that staff worked for more hours than they were paid for to avoid services being cut. A few participants in this study cited examples of this:

“We’ve only got funding for fifteen hours a week but you’re doing forty hours a week and still only getting paid for fifteen (FG3).

The co-ordinator’s hours stayed the same. He was putting in way more hours. Way more than the twenty-five hours a week - or whatever that they are paid for (I-MC2).

These examples provide support for Wagner and Spence’s (as cited in Wagner and Mlcek 2005) ‘paucity management’ thesis. Wagner and Spence coined the term ‘paucity management’ to refer to the ability of community organisations to stretch limited resources:
Paucity management’ emerged as a set of strategies used by managers and workers in non-profit human service organisations in Australia to operate effectively and ethically under conditions of resource poverty (Wagner and Mlcek 2005 p. 85).

These paucity strategies may give the impression of some continued capacity to achieve business as usual. Elliot (as cited in Madden and Scaife 2005) found that maximum organisational, or structural, capacity is not necessary for a nonprofit to fulfil its mission. Elliot (as cited in Madden and Scaife 2005) found that organisations can be effective in achieving their mission and not be well managed or vice-a-versa:

Capacity exists on a continuum not as an either/or state of being; and that capacity is multi-dimensional. Thus all organisations have capacity albeit with varying strengths and weaknesses (Madden and Scaife 2005 p. 3).

Paucity strategies – ‘doing more with less’ – are supported by community discourses or voluntarism and collaboration. As detailed above, participants were finding paucity strategies more difficult to action effectively in the ‘conditions of possibility’ in managerialist discourse.

Other studies confirm the difficulty of action paucity strategies in a managerialist discursive environment. Competitive tendering and the commodification of service provision has made collaboration, or ‘bridging’ (Leonard and Onyx 2004) between organisations more difficult (Madden and Scaife 2005). ‘Story #2 (in this chapter) outlines the tensions one organisation in this study experienced between collaboration and commodification. Another example is the use of volunteers as a paucity strategy at a time when participants are reporting that volunteers are getting more difficult to recruit. This concurs with other studies, which relate the problems with volunteer recruitment directly to the changes in funding and accountability, with tasks required in the quasi-market being too complex for some volunteers (Woodward and Marshall 2004a) and/or volunteers are leaving organisations because of concerns of liability (Hough et al. 2006). While strategies to mobilise scant resources may have worked in the past discourses (Madden and Scaife 2005; Wagner and Mlcek 2005), therefore the new pressures that the managerial discourse
presents in the context of the quasi-market are likely to lessen the effectiveness of such strategies in the long-term:

Short term survival strategies had become the norm, despite expectations that demand for their services was likely to escalate in ensuing years (Madden and Scaife 2005 p. 6).

The Volunteer Discourse

Using the example of paid staff ‘volunteering’ time (detailed above), the normalisation of this practice is articulated by one participant:

*What that means in real terms is that … I’m still doing a 40 hour job. I’m getting paid for 30 hours, I was getting paid for 35 hours, you know, and doing a 40 hour job, fine that’s normal in this sector we know that (FG-4[Y]).*

Evidence that staff are ‘volunteering’ hours and calling it ‘normal’ can not, however, be taken at face value to suggest a ‘volunteer discourse’, as statement similar to the participant’s above might be said by someone working in private enterprise. As McDonald and Marston (2002a) point out, however:

The community sector has its own unique institutional order quite distinct from that of other organisational fields, such as retailing or insurance (p.4).

This normalisation of staff working more hours than what they are paid for needs to be considered in the context of a strong volunteer discourse in non-profit organisations (Hough et al. 2006), which is tied up with institutional myths that support community management (McDonald and Marston 2002a). It can therefore be assumed that the motivation driving such a work ethic is very different in community organisations than in for-profit organisations – or at least it is seen to be in the mind of the person who uttered this comment.

The volunteer discourse, including a pride in the ability to work within limited resources may have contributed to community organisations being left to do just that. Working with insufficient resources in the short-term may have understated the current predicament of community organisations leaving them less leverage to argue for sufficient resources for long-term sustainability.
Volunteers and Organisational Capacity

Volunteers are an important factor in community organisations’ ability to do more with less. In this study, volunteers were seen as “a way to survive” (FG1) by more than a few participants:

- *Here [in community management sector], you are depending on volunteers for a lot* (I-Co4).

- *We have grown so big that you just cannot do the simple tasks that it takes to provide the services we do to the community. We have a group of twenty [client group], we have one [worker] with volunteers to assist her in seeing the twenty [clients] twice a week. Without the volunteers, that program would not exist* (I-Co7).

Participants representing about a third of the participant organisations reported that volunteering, especially at the administration level, had increased in their organisation. This concurs with other studies, which have found that the demand for volunteers has increased with increasing demand for services (Kenworthy Teather 1997; Onyx et al. 2002) and an increasing pressure on small community organisations to ‘do more with less’ (Madden and Scaife 2005).

Paradoxically, while volunteers have become increasingly relied upon to help provide services, according to about half the participants in this study, the increased complexity of tasks has made volunteers, including volunteer management committee members, more difficult to recruit and manage. The increasing difficulty in managing volunteers was linked to changes in funding and/or legislation by almost half the participants:

- *It becomes tighter and tighter in the way in which you can manoeuvre. You are also tied in with OH&S and basic risk management processes… We require much more discipline from the volunteers than would have been expected ten years ago* (I-Co8).

- *Due to the increase in accountability requirements in small NGOs there is a great danger of high turnover of committee members due to the enormous workload expected of a volunteer committee. It’s huge what they are expected to do* (I-Co1).
Now, with insurance, public liability, you have to do your homework and find out what you are actually getting into. The public liability, I think, frightens a lot of people off (I-MC3).

Most participants reported that volunteers are generally becoming more difficult to recruit:

*Occasionally finding the volunteers to get in and help programs, and help run them [is a challenge] (I-MC7).*

This is consistent with a number of other studies (Kenworthy Teather 1997; Putnam 2000; Woodward and Marshall 2004a; Barraket 2006; Hough et al. 2006). As legislation and accountability expectations have changed, the roles of volunteers have become much more complex (Hough et al. 2006).

In this study, about a quarter of participants reported many of the issues related to managing and training volunteers were exacerbated by the unclear or informal status of volunteers:

*With the volunteers, it’s very dicey because, really, you expect the same standards as from the staff in terms of obligations and training and that sort of stuff. But you can’t make the volunteers do things. It’s a bit of an issue because you are stuck in the middle. You can say to your staff that it’s part of their job to do certain things, but how do you say this to the volunteers? You’ll end up with no volunteers basically (I-Co4).*

*It’s very difficult to deal with volunteers. [Volunteers] can be difficult because you are obviously not paying them. They have no obligation and as funding reduces you have to have people working more efficiently, not harder, but more efficiently. That is not easy with volunteers because they have their own agendas very often (I-Co8).*

The high levels of support required by volunteers prevented most participant organisations from being able to support large volunteer programs. Issues with supervising and training volunteers were cited by more than a third of participants:

*The other frustration is the expertise of the volunteers. [The Coordinator] has to spend a lot of time managing them (I-MC2).*

Approximately one fifth of participants reported that they and/or their organisation had become more reluctant to use volunteers. One of the concerns is increased complexity of legislative compliance:
You can’t put that many demands on volunteers like you can on your staff members. I see the trend might be to move away from volunteers because of the huge liability (I-Co4).

I think there are a lot of benefits for the individual volunteer. But for the organisation, it is very hard. If it was my personal organisation, I wouldn’t run it like that. And that’s basically because of the amount to accountability (I-Co4).

This is in accord with other studies that found that as organisational accountabilities have become more complex, organisational liabilities more salient and organisational performance is more clearly linked to funding (Hough et al. 2006; Nicholson et al. 2008), organisations have become more aware of the risks involved in relying on volunteers (Hough et al. 2006).

Concurring with Hough et al (2006), in the present study, almost half the participants reported an increase of awareness and concern about the liability of committee members, and that this had increased issues of committee member retention.

There was considerable difference of opinion as to whether volunteers should be used at all, and where they are used, what their role should be. One participant argued that the government should provide sufficient funding to allow community organisations to properly pay people to provide required services:

I always think of it as a governmental ‘cop-out’ in getting people to do things for nothing when they should be paying somebody (I-Co8).

Although this view was not widely shared, with most participants supporting the purportedly democratic model of the volunteer management committee and a third also utilising ‘in-service’ volunteers, there was widespread concern about an increased reliance on volunteers to pick up short-falls in overhead costs and poor funding provision:

We should not have to rely on volunteers (FG1).

Despite this, in addition to volunteer management committees (a prerequisite of inclusion in the study), at least half of the participant organisations also had some ‘in-service’ volunteers that ‘worked’ within the organisation.
While a few participants argued that volunteering was an important element of community development, alluding specifically to the role volunteers play in making community organisations democratic and representative, many more participants (almost half), emphasised the role volunteering had in individual development.

This is at odds with much of the speculation and myth around volunteering in community organisations. For some it is considered a conduit of participation in civil society (Putnam 2000; Leonard and Onyx 2004). Hough et al. (2006) titled their paper “The training grounds of democracy?” referring to the role attributed to community organisations for training up volunteers to contribute in society. It is significant, however, that they follow this heading with a question-mark, denoting this assumption as contestable.

Reliance on volunteers as a paucity strategy to counteract ‘resource poverty’ (Wagner and Mlcek 2005) perpetuates the institution myth of community organisations being able to mobilise resources at less monetary cost than other sectors (Madden and Scaife 2005) and further highlights the disjuncture, or tension, of the discourses. While volunteering is used as a type of ‘paucity strategy’ in many non-profit organisations (Wagner and Mlcek 2005), managing volunteers has become much more complex in the quasi-market model due to the increased complexity of reporting and legislation (Hough et al. 2006). This difficulty is such that the resources needed to support volunteers could potentially exceed the resources saved through engaging volunteers.

Whether volunteering can be a factor in effective capacity building or whether it devalues community organisations is debated in the literature. Some (Madden and Scaife 2005) question the perpetuation of a ‘myth’ that community organisations can rely on volunteers, while others highlight the connections between volunteerism and social capital (Onyx et al. 2002; Leonard and Onyx 2004; Hough et al. 2006).

In this study, while expressing some concern about increased reliance on volunteers, about a third of participant organisations continued to rely on them and a few reported an increase in this reliance. Many participants also reported incidences of paid staff engaging in regular unpaid work. The expressed concern is therefore not
consistent with practice, nor is it consistent with the implied pride some participants expressed at ‘being able to operate on the smell of an oily rag’.

Nevertheless, volunteering is an important element of community management and has greatly influenced the practices and image of community management. Currently the volunteer model underpins the community management model with a shared characteristic of community management committees being that they are made up of volunteers (Lyons 2001; Leonard and Onyx 2004). Volunteering has the potential to have significant positive and negative impacts on capacity building, depending on the user’s definition of ‘capacity’ and how volunteering itself is understood, used and structured within individual organisations.

**The Emergence of the ‘Non-voluntary’ Volunteer**

Emerging from this study was a reframing of what a ‘volunteer’ actually was, with the definition of ‘volunteer’ being quite ambiguous. Four participants cited examples of volunteers who were paid for their services by sources other than that of the organisation:

*[The coordinator] has been really good at accessing funding bodies and being paid by someone else. So that has worked out well (I-MC2).*

*Our Easy Care Garden has volunteers, but some of those volunteers come from ‘work for the dole’*\(^6\) *(I-CO4).*

*Finding good quality volunteers is very hard and we have been fortunate that we have had some CDEP [Community Development Employment Program] girls come over (Co2).*

This is consistent with McDonald and Marston’s (2002a) theory that the institutional myths are being destabilised. Consistent with neo-liberalism is an understanding that citizenship requires active participation (Howard 1998b; Hain 1999; Ramia and Carney 2000; Latham 2001; McDonald and Marston 2002a). While this new understanding of citizenship applies to all ‘citizens’, the actualisation of this shift in

\(^6\) Work for the dole is a federal government policy underpinned by the ideology of ‘mutual obligation’ where those on unemployment benefits are obligated to participate in community service programs.

ideology has been most felt by those most marginalised in our societies (Ramia and Carney 2000; Raper 2000). With the changes in wider government policy that support participation and individual responsibility (Ramia and Carney 2000), Australians who are in need of welfare benefits are being forced to participate through programs of ‘mutual obligation’ (Considine 2003) in which they are obligated to ‘volunteer’ for community service. Although in existence longer than the current changes to ideology, the emergence of neo-liberalist ideals has also greatly increased individual responsibility programs for offenders with a significant increase in ‘community service orders’. Many of these ‘volunteers’ work in community organisations. There has therefore been an emergence of the non-voluntary ‘volunteer’ where ‘volunteers’ are sourced through government-sponsored programs such as re-employment and training programs, community service orders or probation and parole orders to ‘volunteer’ in community organisations. These are not volunteers, however, but rather persons who are ‘obligated’ or forced to ‘volunteer’ in order to avoid punishment – such as loss of social security payment or incarceration, or to gain a benefit – such as entry into an employment or educational program (Ramia and Carney 2000; Raper 2000; Considine 2003). Of interest are the contradictions inherent in these approaches, where community organisations could potentially exploit these non-voluntary ‘volunteers’ and co-opt government policy – which they may not agree with – to provide support services for other persons and groups similarly exploited.

The new discourses of ‘participation’ and ‘active citizenship’ have also increased access to the ‘corporate’ volunteer in community organisations due to the neo-liberalist participation policies that encourage ‘corporate social responsibility’ (Addis and Geddes 2007). As a result there has been an increased interest in non-profit organisations from the for-profit sector with some corporations providing staff to ‘volunteer’ in non-profit organisations.

While these corporate citizens may be less accessible to most small community organisations due to a lack of profile relative to larger charity organisations, a few participants in this study from rural and larger community organisations, reported that one or more management committee members had been ‘donated’ by his or her corporate employer to ‘volunteer’ on their management committee.
These ‘new’ definitions of ‘volunteerism’ being experienced in community organisations have the potential to influence participation in new ways. They raise questions about volunteers’ motivations for becoming involved. While the volunteering of unpaid hours by paid staff fits with the volunteer discourse, being compelled to volunteer is less consistent with what Spall and Zetlin (2004a) refer to as ‘the myth of pure virtue operative’. As the name implies, this is a ‘myth’, as people might join community organisations for all sorts of reasons and even a non-obligated volunteer might have joined in part due to self-interest – to gain experience, to get out of the house or even to feel better about themselves by believing that they are volunteering out of ‘pure virtue’. In this study, all of these reasons were cited as motivators for volunteering.

Simply because someone is compelled or is being paid to volunteer, however, does not necessarily mean that they do not engage in the belief systems, institutional myths and a personal volunteer discourse of community organisations. In this study, one management committee member reported that they had joined for specific personal gain but stayed because they believed in the organisation and what it stood for. This participant joined the organisation due to a narrow interest concerning her own children. As her children grew and the organisation became less relevant to them, however, the participant found that:

Even though it didn’t directly affect my children, I could still take an interest as a concerned citizen on behalf of other people’s children. So I became more interested and found that you can broaden your outlook away from our own little focus (I-MC5)

Despite these qualifications, it stands to reason that any increase in people being compelled to ‘volunteer’ in community organisations could potentially further challenge the institutional myths, perpetuated through community discourse, regarding ‘voluntary ethos’ (Spall and Zetlin 2004a). This is important as the existing myths may have assisted to bind community organisations to one another (McDonald and Marston 2002a) and make them distinct from other types of organisations (Considine 2003).
“Doing Everything with Nothing”: on the Smell of an ‘Oily-Rag’

While institutional myths – or collective values - can be useful in creating institutional isomorphism that can protect organisations as a field (Di Maggio and Powell 1991; McDonald and Marston 2002a) the perpetuation of some myths may be more useful to others outside of the field (Di Maggio and Powell 1991), such as funding bodies, than to the community organisations themselves. If community organisations pride themselves on their ability to operate on the ‘smell of an oily rag’, then they should not be surprised, or aghast, if what they then get from governments is of the equivalence of an ‘oily rag’.

While ‘doing more with less’ is not a new problem for community organisations (Neville 1999; Madden and Scaife 2005), this research clearly indicates that the funding and resource issues experienced by community organisations have been heightened by the devolution of service provision and subsequent changes to funding and accountability. The changes in funding arrangements and increases in demands for services without an associated increase in funds have created significant stresses for non-profit organisations. This funding stress presents major issues for community organisations in terms of capacity building. If we take the basic definition of ‘capacity’ to be the fulfilment of the organisational mission (Madden and Scaife 2005), then it follows that organisations require sufficient resources to achieve this. If resources are not sufficient to meet the organisation’s mission, the mission also needs to be examined for its appropriateness, as being expected to do more with less and actually doing more with less are not the same thing.

Madden and Scaife (2005) express concern that non-profit organisations are operating beyond capacity and that whilst this might work in the short-term it is not sustainable: “‘Nonprofits have been doing more with less for so long that many now border on doing everything with nothing’” (Light as cited in Madden and Scaife 2005 p. 11).

Why then do organisations continue to do more than their capacity allows? The answer might lie in the discourse of community organisations as the statement from one participant from the present study, demonstrates:
We are ...dealing with the difficult stuff that no one else does (I-Co1).

This understanding that community organisations were there to do what no one else would or could do was a strong theme in this study. For most participants the need to provide the immediate services was of paramount importance, with many examples of organisations operating beyond their capacity rather than turning people away:

Usually there are people lined up outside down the hall way, there isn’t enough chairs, prams, old people, it’s just a nightmare. It’s not pretty (I-MC2).

An organisation like us is seeing two hundred clients a week ...presenting here in need of support and we haven’t got anywhere to send them to (I-Co1).

This is another example of the discourse that community organisations are caring organisations and, as such, do not turn away those in need (McDonald and Marston 2002a). Organisations are finding, however, that this is becoming more difficult to achieve into practice in the context of the quasi-market. The continuation of traditional discourse and practice without regard to the new discourse could contribute to the impoverishment of community organisations. A high reliance on volunteers can also make the non-profit sector less visible (Leonard and Onyx 2004) as it is considered a non-player in the market-place where most public visibility occurs and the real costs of community management remain invisible:

The expectation that it was not only possible, but ideal, for nonprofits to only rely on volunteers and for all funds received to go into actual service delivery was widely perceived to be a serious barrier for the nonprofit sector. It was a myth, reinforced by the media and some nonprofits themselves, that was perceived ...as dangerous because it encouraged weak infrastructure, putting nonprofits and their missions at risk. Further, the hidden nature of such real costs was also seen by some to constrain comparison of infrastructure costs within the sector (Madden and Scaife 2005 p. 6).

**Tensions in Assisting Community Organisations to Build Capacity**

In this study, almost all the participants reported that meeting the accountability and legislative requirements was particularly difficult due to already limited resources
and little or no extra resources to increase the skills of staff and management committee members in compliance issues.

Nicholson et al. (2008), in a quantitative study of more than 500 board members from non-profit organisations, concluded that non-profit organisations would greatly benefit from some assistance with ‘capacity building’. Madden and Scaife (2005) agree that addressing the capacity of non-profit organisations is an important issue: “Capacity Building is a vital issue to nonprofit organisations and the communities they serve” (p.2).

According to Madden and Scaife (2005 p.2), the basic definition of capacity is “the ability of nonprofit and volunteer organisations to fulfil their missions”. Even the use of the term ‘capacity building’, however, may represent a hijacking of discourse. Capacity building is not an uncontested term – McDonald and Marston (2002a) for example argue that ‘capacity building’ is one of many terms that has increased in vogue due to have being effectively hijacked by proponents of neo-liberalism. Nonetheless, some type of capacity is required for sustainability of organisations: “building capacity is very much a necessity for sustainable effectiveness” (Light as cited in Madden and Scaife 2005 p.3).

This study found that small community organisations were finding it particularly difficult. Others have argued that as community organisations, especially small ones, tend not to have the same opportunities to access resources that public or even larger non-profit organisations have and the changes to funding and accountability and the devolution of service provision have increased pressure on limited resources: “the ‘small fry’ commonly reported a lack of both people and systems to meet new compliance requirements” (Madden and Scaife 2005 p.5).

This supports the question already raised by Hough et al. (2006 p. 11) about whether the non-profit sector should be treated differently from for-profit organisations in legislative compliance. This is supported by Madden and Scaife (2005) who argue that special assistance is needed to ensure the survival of small non-profit organisations, although as Hough et al. state, the question is a complex one. In making a special case for small community organisations in particular there is a
concern that the myth of charity and not being as legitimate as other types of organisations would be perpetuated:

While such an approach may be well justified, especially in the case of small nonprofits, the potential downside is that the sector in not treated with the same degree of professionalism as the private and public sectors (Hough et al. 2006 p.11).

In this study, participant responses to OH&S legislation supports Hough et al.’s (2006) speculation that people in community organisations would spurn special treatment. Worker and client safety was acknowledged as important by with almost half of the participants describing significant changes within their organisations to ensure a safer workplace. Participants also reported, however, that many of the legislative changes, particularly changes related to OH&S, were seen as too rigorous and inflexible:

*It’s just gone way too far. The pendulum has swung too far. It is really important to make sure you have a safe working environment. But this is just ridiculous (FG3[A]).*

Participants reported that compliance with legislation often meant that tasks that may have previously been seen as straightforward were now more complex and often required higher levels of skill and knowledge:

*The classic example which I know, is running cakes stalls. This has got to be one of the old fashioned practices that is no longer appropriate in this society. There are too many hassles involved. Some of them are around food legislation. Even fetes…public liability involved in running fetes, not as easy as it used to be. There is a whole lot of extra things that have come up just in community fundraising in general. They have to know how to negotiate with local councils for permission to do things. They have to make sure that things are done with accords with the Department of Health regulations (I-MC5).*

The concerns raised by these participants were about the lack of resources they had for compliance and what they saw as extreme requirements or over-legislation, and what was largely seen as unnecessary ‘red tape’. None of the participants suggested that their organisation should not comply with the regulations as they held the health and safety of their workers, volunteers and clients as a high priority.
Story # 2 – Building Capacity through Professionalisation, Governance and Growth

This is a story about an organisation that had embraced managerialist discourse and practices to build capacity.

(This ‘story’ is constructed from extracts of interview transcripts from I-Co8 and I-MC8. These extracts are not necessarily presented here in the order in which they were presented in interview).

We have merged with other organisations. We are up to two to three million [dollars p/a] now. Whereas in 1997, we were about six hundred thousand.

So that’s a big change of scale of operation.

[The previous management committee] was dysfunctional. The community management had enough. They had a lot of difficulty. The organisation had almost imploded at one stage because of lack of management skills and lack of management by the board.

A few of us had made a conscious decision to bring in the business focus, the people who had business, government or bureaucracy type backgrounds, so we had some understanding of where the funding bodies were coming from and their sort of requirements. Fortunately, the right people at the right time, came on board, saw those risks, were aware of the current changes to legislation and therefore said there was a greater risk of not changing rather than changing. There are three members of the original committee members, the ones who wanted to change it. The others have all left. We have a pretty competent board now.

We made a conscious decision to restructure the organisation, which meant placing more responsibility with some of the larger programs and the co-ordinators within those programs to take more responsibility which put far better accounting processes in place.

I’m an accountant and an economist. [Identifying new board members was] very much targeting people with specific management or organisational skills.

It’s not a management committee. It is a ‘board’. The major changes with the committee have been around that change from management to governance. Major changes in understanding the legal requirements of governance – the huge changes of legislation over the last ten years on all fronts. They don’t have much to do with the day-to-day operational stuff, they think strategically.

Once we got things in place, I think the department started to realise that we were working very hard at having a business-like approach to running the programs and a very professional approach. From there, I believe, funding bodies saw an opportunity
that, we are a regionally-based organisation and they could place programs with us and that their funding would be reasonably secure.

I don’t think we made a conscious decision that we wanted to grow. We made a conscious decision that we wanted to tidy up our act and become a professional organisation. The growth almost became incidental and was almost generated from the funding bodies as the key people there saw we were capable of handling more.

That rapid growth was occurring at the same time as our restructure. It put extra pressure on everybody. Though, at the same time it actually showed people, if we worked towards a professional business-like organisation, that the benefits would come our way. With each progressive improvement or change to our organisation or structure, then we could announce another substantial funding source had come on board. Each fed off the other, with an over-arching pressure of how do we do this and survive in this environment that is going on. There was a sense of euphoria in one sense.

The fact that we don’t have to stress anymore because of our size. That is critical. If you don’t have that size for resilience, you are a lost cause. As a larger organisation, we capture economies of management. I’ll give you an example, we have an Aboriginal homes research project that we are finishing up. That was badly funded by the department in the first place. It finished up already $15,000 short. But if we were not strong enough financially to cover it, we couldn’t do that.

So it is our size that is critical to us. That makes us resilient, that works for us. For staff, we can offer career pathways because we are larger and that helps us attract better staff and because we are larger, we attract people to the board who would not otherwise be interested in a small committee of management. There is prestige in being on the board.

It’s still a community organisation, in the sense that we are still sitting in the neighbourhood centre. We still have a community development officer here. I guess our philosophy, from the board’s perspective, was to review strategically where we were. So, we function globally, but we service locally.

I fear that when it goes to nothing but those very large organisations, because I have seen the result of that and it’s not very good. They do become hugely bureaucratic, and the service delivery at the ‘coal-face’ does pay a price. You lose regionality.

Just recently we had applied for funding [in more a densely populated area] and we missed out on that funding. The feedback was why don’t we look at the [xxx] region. What is that actually trying to say to us? You are not big enough, you are not good enough to deal with the higher populated areas and the larger markets? Or are they trying to say to us, you have got specialist skills to best suit you to work in the regions and nobody else wants to go out there?

How we were going to be able to afford a CEO? There was no money for management. How then do we get an appropriately qualified and skilled manager to
manage an organisation the size of ours, with multiple locations over, say, twenty percent of the state? [And], whilst we are constrained by a non-profit organisation that really can’t pay their board members except on a cost recovery basis; it’s very difficult to put the hard word on a board member and say ‘we want you to go along to one conference a year’ or whatever, when they have to take time out from their normal job for no payment.

I guess I just want to say that, from my perspective, it’s been a great joy to see the way the organisation has grown. I suppose there is self-satisfaction involved in developing something that is reasonably unique (I-Co8 and I-MC8).

Story Analysis

This story describes an organisation that had embraced managerialist discourse and practices to build capacity. This came about when a small number of people in the organisation had concerns about the management and the sustainability of their organisation. These people attracted a few new people who shared similar concerns and a similar view for change. Other people either changed their views or left. The new recruits and those remaining then engaged in a strategic planning process, which included a complete transformation of how the organisation should be run. Firstly they recruited a Chief Executive Officer (CEO) with a business background. They sought out more like-minded professional people to the organisation.

The restructure was signified by important changes in terminology that reflected significant changes in practice. These included:

- From ‘coordinator’ to ‘CEO’;
- From ‘management committee’ to ‘board’, and;
- From ‘management’ to ‘governance’.

These participants reported that they got the ‘right’ people at the ‘right’ time. The emphasis here being on ‘right’ - what was right for them were people who had a strong managerialist ethic. They found that their growth and business-like approach made it easier to attract more experienced, ‘professional’ personnel. They also found that the ‘business-like’ approach also attracted a considerable increase in funds from government funding agencies:
By engaging with, adopting and articulating [dominant discourse], parts of the sector are, we argue, actually engaged in positioning themselves as ‘natural’ if not preferred participants (McDonald and Marston 2002a p. 3).

These participants reported a belief that the growth itself and their increasing size had increased the organisation’s resilience and sustainability - “size makes us resilient”. This was demonstrated by their reported ability to absorb a short-fall of $15,000. There appears to be a contraction here, however, between discourse and practice as such a large short-fall in funding could only be understood in managerialist terms as a rather poor business decision to begin with, although it is not clear whether this decision predated the ‘professionalisation’ of the management committee with a decision since made to finish the project.

Another apparent tension was that, although, this organisation was now larger than most community organisations, they still had significant concerns about their capacity. Being relatively large and more business-like, but still a non-profit community organisation, raised a number of new dilemmas for their organisation, such as how to attract and properly renumerate their CEO and board: “as organisations grow larger they face the challenge of organising themselves” (Leonard and Onyx 2004 p. 88).

One of the ideas considered was whether the ‘board’ members should be paid. This idea has also been contemplated by Hough et al. (2006) who concluded that “paying directors might ironically reduce commitment and engagement by undermining the voluntary ethos that characterises many nonprofit organisations” (p.1). Participants in this study raised similar concerns, still unsure at the time of the interview what would be gained or lost by remunerating the board.

Possibly, this organisation had moved so far along the ‘managerial continuum’ that it was having difficulty defining itself as either a community organisation or as another type of organisation. Comments from these same participants, referenced elsewhere in this thesis, make it clear that they distinguished themselves from what they referred to as the “big fellows from the city” – that is large philanthropic organisations – yet they were just as clear in distinguishing themselves from the more traditional model of a community organisation. Consistent with Spall and
Zetlin’s (2004a) observations, some decoupling was occurring due to conflicts between what might be understood as traditional non-profit beliefs and managerialist practices and structure. While, focusing on growth, an identity as a locally-focused community organisation was still important to this organisation. To reconcile this, ‘local’ was redefined to include the whole region. Perhaps, as stated they have created something “reasonably unique”. This is consistent with McDonald and Marston’s (2002a) observation that the neo-liberalist emphasis on individual and collective responsibility has destabilised institutionalisation: “there are no ‘natural’ players in the sense that was once presumed, and no given set of institutional arrangements” (p. 3).

In their ‘uniqueness’, however, it appears that they have lost the relative security of belonging and shared understanding. As McDonald and Marston (2002a) point out, loss of common understanding can have negative implications for organisational resilience. They draw on the theories of DiMaggio and Powell (1991) that shared institutional understandings can be an important factor in organisational resilience. In the organisation in this story, the tensions they describe around size and identity were very salient:

Organisations that conform to institutional myths generally increase their survival advantages through rewards, such as increased legitimacy and stable resource flows (McDonald and Marston 2002a p. 4).

The organisation featured in this story, was in a transitional stage in which many of the institutional myths of non-profit organisations might no longer be readily applied. There is not yet another full set of institutional rhetoric that this organisation is ready to adopt, however. They appear to be at the point that Spall and Zetlin (2004a) describe as the ‘enterprise archetype’ where they have fully incorporated managerialist discourse into their practices and structure. Consistent with Spall and Zetlin’s findings however, at the same time the managerialist discourse has not (yet?) completely shaken their previous discourse, or what Spall and Zetlin refer to as their ‘interpretive schema’. While Spall and Zetlin appear to champion the rise to ‘enterprise archetype’ as a win for non-profits, as the above story demonstrates, it can leave organisations in a rather precarious and uncertain position. As McDonald and Marston (2002a) point out, the contestability of traditional organisational myths can create a ‘niche’ for a whole new set of institutional myths to inhabit. Organisations such as the one...
featured in this story can get caught in an ‘institutional no man’s land’. They could therefore be particularly vulnerable to adopting a new set of institutional myths that might be at odds with the ideological position of the organisation which itself was under contest.

Chapter Conclusion

Participants reported that the devolution of services and the consequent changes to funding and accountability, coupled with no growth funding and an increase in short-term funding and competitive tendering, had meant that their community organisations were experiencing significant resource stress. This was clearly articulated as having to ‘do more with less’.

These frustrations were voiced within a discursive model based on the ‘funding’ of community organisations rather than the ‘purchasing’ of services from community organisations. Most of the participants were therefore reporting from the perspective of a traditional discourse to make sense of a new world order where ‘purchasing’ not ‘funding’ was the dominant discourse in relation to finances passing from government to community organisations.

Much of the frustration expressed around funding, particularly underfunding and lack of growth funds was due to participants attempting to make sense of the new managerialist discourse and practices through the lens of a traditional community model of funding when the applicable discourse was instead that of purchasing. The expressed frustrations related to underfunding and insecure funding to provide services of a quantity, quality and type that community organisations wished to provide. In a purchasing model, however, governments can choose to pay for the quantity, quality and type of service they require.

Nevertheless, the findings of this research clearly indicate that the funding and resource issues experienced by community organisations had been heightened by the devolution of service provision and subsequent changes to funding and accountability. Participants reported that these funding stresses impacted the way
organisations conducted their business. Services were cut or were continued through paucity strategies, including an increased reliance on volunteers. The use of paucity strategies, however, had become more difficult within the ‘conditions of possibility’ of the managerialist discourse in the context of the quasi-market. While community organisations have been able to mobilise significant resources in the past through paucity strategies, many of these strategies are at odds with the managerialist discourse and practice. Continued reliance of such strategies has the potential to severely limit the capacity of community organisations into the future.

There does appear, however, to be some inherent contradictions in government policy that espouses the responsiveness and importance of community management. The ideologies that have resulted in significant devolution of service provision to community organisations based on the ability of community organisations to be locally responsive and provide value for money are, accompanied by a discourse that ironically, limits community organisations’ ability to achieve these in the ways they once did.

Small community organisations were finding it particularly difficult in part due to the community discourse often being more embedded in these small and very locally focused organisations and partly because they have relied much more heavily on paucity measures than larger organisations.

Most of the participants reported that their organisation did not have sufficient resources to do what governments were expecting them to do. Looking at this through a managerialist lens, governments may not currently be getting value for their money or efficient or professional service provision if they are not providing sufficient funding for community organisations to meet government expectations without difficulty – particularly in terms of attracting and maintaining appropriate staff. Participants reported significant issues in recruitment and retention, which they attributed to an inability of community organisations to compete with organisations from other sectors for staff. Differences in remuneration have become more pronounced as community organisations are increasingly sourcing staff – particularly coordinators – from the same recruitment pool as other types of organisations. Difficulties in getting and keeping staff affect the way organisations
operate. In addition to the increased costs of training new staff, a high turnover of staff can make it difficult to build and maintain informal and formal relationships with clients, the community and other organisations. To maintain some of the features of community organisations that informed the devolution process beyond ‘value for money’, and for change to occur beyond the rhetoric, government funders would need to properly price the cost of service provision so that community organisations need not resort to ‘paucity strategies’ to survive.

Significant frustration was expressed with governments wanting organisations to adopt managerialist practices, but not providing the necessary resources for organisations to achieve this.

Conversely, a stated pride in the ability to work with limited resources – or on the smell of an oily rag – may have contributed to community organisations being left to do just that. Being able to demonstrate their ability to work with scant resources may have understated the current predicament community organisations find themselves in, leaving them less leverage to argue for sufficient resources for long-term sustainability.

The understanding that community organisations were there to do what no one else would or could do was a strong theme in this study. This is another example of the discourse that community organisations are caring organisations and, as such, do not turn away those in need. Organisations are finding, however, that this is becoming more difficult to materialise into practice in the context of the quasi-market. The continuation of traditional discourse and practice without regard to the new discourse, could contribute to the impoverishment of community organisations.

Volunteering has, for example, the potential to have significant positive and negative impacts on capacity building depending on the user’s definition of ‘capacity’ and how volunteering itself is understood, used and structured within individual organisations. A high reliance on volunteers can also make the non-profit sector less visible, as it is in the market-place where most public visibility occurs.

An emergence of the non-voluntary ‘volunteer’ is of particular interest. In trying to mobilise volunteers in a new discursive environment where volunteers are more
difficult to recruit, community organisations could potentially exploit these non-voluntary ‘volunteers’ and co-opt government policy – which they may not agree with – in order to provide support services for other persons and groups similarly exploited. The contradictions inherent in this approach to community discourse and associated values are evident.

The extent to which these changes affected individual organisations varied with some of the older ‘funding’ programs slowly phasing in elements of a ‘purchasing’ model. This may have in fact confused the discursive environment somewhat by making the ‘funding’ discourse applicable in some instances – though all contracting was reportedly more constrained than previous funding agreements. Although participants were expressing significant frustration at the increase in competitive tendering, in a quasi-market discourse, it was more surprising that all purchasing of community service provision was not subject to competitive tendering than that some of it was, and that this was increasing as new programs are introduced.

While it is acknowledged that community organisations manage to do a great deal with very little, this is not new. What is new is that the strategies community organisations use to mobilise resources have become more challenging in the new managerialist discourse. People working and managing community organisations expressed significant frustration about lack of funding, insecure funding and how new accountability expectations and other legislative changes had thwarted their efforts to provide services and action community development projects. Much of this frustration was expressed in accordance with traditional community discourse rather than the managerialist discourse that informed their funding relationship(s).

Community organisations themselves are somewhat responsible for the current dilemma they are in. Doing ‘more with less’ – that is being able to mobilise resources through the use of ‘paucity strategies’ – was an important element of the community discourse. With their own identities to some extent sustained by their ability to do ‘more with less’ it is hardly surprising that government agencies might capitalise on this ability.
Instead, community organisations need to look at resource issues using a managerialist discursive framework – that is how they can mobilise resources within the ‘purchasing’ model. One example might be that they do not enter into purchasing contracts that do not cover the cost of agreed service. In doing this they also need to keep sight of the community values that they consider as important.
Chapter 7: Tensions between Community Representativeness and Divergent Accountabilities

Chapter Introduction

The third tension to emerge from the data and outlined in this chapter, was the tension between community representation and divergent accountabilities. Community organisations are accountable to a number of different entities, including communities, clients and government bodies who purchase services. There has long been tension in how to negotiate different accountability demands. Recent changes in discourse and practice have, however, augmented these tensions. How new accountability expectations from government funding agencies have affected community organisations’ ability to meet divergent accountabilities is discussed and examined in this chapter.

Of particular interest in this study, is the accountability community organisations have to their community. One way in which this is purportedly achieved is through the conduit of community representativeness. Ostensibly, community organisations are established, ‘owned’ and managed by ‘communities’ – be that, a geographical community or a group of people who share a common need (Everingham 1998; Lyons 2001). Community organisations are seen as an important element of a democratic society (Putnam 2000; Hough et al. 2006) building community and individual capacity (Spall and Zetlin 2004a) and social capital (Putnam 2000; Leonard and Onyx 2004). While this view of community organisations is subject to contest – with some commentators asserting that ‘community representation’ is largely a myth (Bryson and Mowbray 1981; Lyons 2001; Mowbray 2004; Bryson and Mowbray 2005) – it is the connections that community organisations are seen to have with their community that are understood to set community organisations apart from other types of organisations (Kenworthy Teather 1997; Our Community 2003; Leonard and Onyx 2004; Wagner and Mlcek 2005).
In the present study, the view that community connections set community organisations apart from other types of organisations was supported. Participants representing organisations, diverse in terms of size, philosophy and client base, all recognised a common feature of community organisations in their ability to connect with and represent the needs of their communities.

Being accountable per se was not an issue for participants. Most participants reported, however, that the type and focus of accountability had changed and it was these changes, and the impact these changes had on work practices, that had presented significant challenges in meeting accountabilities to entities other than governments.

This study found that tension in meeting divergent accountabilities had increased with the onset of new funding contracts and tender agreements. While, almost all participants asserted the importance of their organisations’ connection with the community, in practice, their main focus of accountability had largely shifted to government funding agencies due to a pragmatic need for funding and other resources. This shift in focus had increased significantly with the introduction of contracting and competitive tendering and associated ‘genre’. As detailed in the previous chapter, ‘new accountability expectations’ imposed on community organisations by government had presented challenges that were cited by most participants as being of considerable concern to them – so much so that they were more often alluded to as ‘major frustrations’.

This chapter examines, whether community organisations are actually ‘community representative’ or have ever been, effects of changes in government funding expectations in terms of accountability, and; how this has affected community organisations’ accountability to the community. This chapter will also describe some significant action aimed at addressing representation issues arising from divergent accountabilities.
The main findings detailed in this chapter are:

- Difficulties recruiting and retaining members was associated with increased complexity of responsibility, including legislative changes;
- Management committee members who were used to working with previous funding models experienced more difficulties negotiating new expectations;
- Increased ‘professionalisation’ of management committees;
- Some professionalisation was largely reported as of benefit to organisations;
- Some concern that professionalisation might result in the loss of local understanding and/or local participation;
- Professionalisation did not necessarily preclude community representativeness;
- Non-democratic or no selection processes for membership;
- Blurring of the roles of staff and management leading to a type of ‘tokenism’ due to informal relationships and procedures;
- Managerialist discourse was increasing formalisation of relationships and procedures and thus increasing the effectiveness of management committees;
- Reciprocal arrangements between community organisations had increased with some concern of loss of representativeness, and;
- Organisations were exploring new strategies of representation, such as Advisory Committees.

The Impact of Changes in Accountability and Legislation on Representation

Challenges Maintaining a Management Committee and Representation

Following on from the volunteer issues documented in the last chapter, this study found that the recruitment and retention of management committee members was an issue for most organisations, cited by more than half the participants as their foremost challenge.

Trying to get skilled people onto these voluntary boards is extremely difficult because the task has become far more onerous than it ever was (I-Co8).
There have been problems with recruiting and maintaining management committee members (I-MC1).

We have problems getting management committee people. They don’t come and join committees (I-MC6).

This is consistent with other studies. Woodward and Marshall (2004a) found that 29% of non-profit organisations in their study had difficulty recruiting directors, and that this was higher for community service organisations with more than a third (36%) of these organisations reporting difficulty. Difficulty recruiting and retaining management committee members in non-profit organisations is not limited to Australia with both the USA and the UK reporting similar trends (Hough et al. 2006 p. 5).

In this study, almost three quarters of participants reported that new accountability expectations – such as preparing tender applications and purchasing contracts and reporting on outcomes – were the most significant challenge in continuing to meet their accountability to the community and clients.

Almost half of the participants specifically related changes in funding and accountability to difficulties in recruiting and maintaining management committee members:

Due to the increase in accountability requirements in small NGOs, there is a great danger of a high turnover of committee members due to the enormous workload expected of volunteer committees (I-Co1).

Some of the factors behind it are people who are quite intimidated by the amount of skills needed to sit on the management committee and the amount of time it requires (I-MC1).

As they did for general volunteers (detailed in the last chapter), more than a few participants in this study associated the problems with recruiting management committee members with other economic and social changes in general society. Examples included: retirees are more likely to be looking after grandchildren; the unemployed having more obligations to fulfil; women in full-time work and; the cost and competition in universities to do well leaves no time for students to volunteer:

People don’t have time to volunteer (FG1).

A lot of people are working and they don’t have time (I-MC3).
Now, no one wants to work in management committees because it takes so much time (FG2).

It’s the casualisation of the workforce over the past ten years that is running people against being on committees. You are talking about people in the prime of life between thirty, fifty to sixty age group – the predominant age for committee members. You are losing them because of the change in workplace practices (I-MC5).

The Impact of Legislative Changes on Representation

More than a third of participants specifically related more onerous legal obligations to difficulties in recruiting and maintaining management committee members. They contended that the changes in legislative requirements and a perceived increase in risks had made membership on community management committees less attractive and quite intimidating for some potential members:

There is more involved in being on a management committee. I’ve also noticed that some of it comes via legislation (I-MC5).

There are those people who want to do it but find it really daunting because of the potential for legal liability, the complexity, the insurance issue, the OH&S issue - all those things are putting people off (FG3[CL]).

When I first joined, you just came along and sat in and listened and learnt. But now, with insurance, the public liability, you have to do your homework and find out what you are actually getting into. The public liability, I think frightens a lot of people off (I-MC3).

Hough et al. (2006) speculate that changes in legislation are not necessarily more onerous but have been documented and featured in the public arena in such a way that directors are more aware of their obligations then they were previously. This is supported by Madden and Scaife (2005) who found that members left non-profit organisations after attending training regarding their obligations as management committee members.

Theoretically, the community management model connects the organisation with the community through membership, with the management committee being elected as community representatives by a wider membership (Lyons 2001; Darcy 2002). The practice of electing community representatives to manage organisations was seen as
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Chapter 7: Tension 3: Representativeness and Accountability

a democratic process in which these community connections were formalised. Some participants in this study cited their democratic structure as one of the features that sets community organisations apart from other types of organisations. This supports Lyons (2001), who acknowledged that, at least in theory, employing an elected board of directors or management committee is a democratic process. Despite community representation and connections being touted in this study as what set community organisations apart, however, almost all participants reported that there were some significant challenges in maintaining the community management model in practice.

Professionalisation and the Impacts on Representation

I immediately saw that it was not functioning as a management committee. We needed to start bringing things into line (I-MC8).

As an element in the shift to managerialist practice (detailed in Chapter 2) approximately half the participants in this study described an increased ‘professionalisation’ of their management committee. In this study, ‘professionalisation’ refers to the intentional targeting of people with very specific skills in business and/or financial management as management committee members. The organisations that were professionalising their management committee were actively prioritising attributes other than being a community representative when selecting members:

When I first came on almost all the committee members at that stage all lived [locally], they all had connections in the community. Most of the committee were predominately retired, semi-retired. They had a diversity of backgrounds but they were all residents and they were involved in lots of community-type organisations. Various degrees of professional knowledge and background is what has happened over time. They are all professional except [one member] (I-MC1).

According to participants, changes in the composition of the management committees had been driven by a perception that people with specific skills and experience would be required to work with the new funding and accountability requirements. Almost half the participants made specific reference to difficulties that management committees used to working with previous funding models had experienced in implementing new funding and accountability requirements:
I’ve been on the committee since 1997. I have found that the changes are: more accountability processes, each year there are more issues that come up that we have to deal with. Where people were recruited into a management committee, the expectation was that as long as they attended monthly meetings and read the report, they could ‘wing’ it – sort of pick it up as they go. But I have found, and other staff have found, that staff actually need to sit down with management committee member and do more training between meetings (I-MC5).

According to a few participants, a lack of skills and experience of management committee members led to a crisis in their organisation. A couple of participants from the same organisation, for example, attributed a specific crisis in their organisation to a lack of appropriate skills or experience on the part of their management committee to deal with the changes in funding and accountability:

There were numerous complaints made about the management committee [by the general public]. They had gone to our local council who owned the building. ... Now we came very close to being shut down and a lot of it was on the basis of the funding criteria was not being met adequately. It is extremely complex and we have asked to have someone on the committee with a background that at least allows him to make sense of the documents that come out from our financial worker. ... We were in dire financial straits and we weren’t really aware of that building (I-MC1).

Others gave examples of previous committees, which they reported as ‘dysfunctional’ and/or they described questionable practices, which they attributed to the decisions of previous committee members:

I came here three years ago. I wouldn’t say it [the management committee] was a shambles but it was dysfunctional (I-Co8).

What had happened, through some means in the past is that part of the hours of our admin worker worked were being paid for out of those funds. That was never, that should never of happened (I-MC1).

A few participants in this study were highly critical of community representation on the management committee unless these members also had some other skills to offer:

Not in a disrespectful way, but I call them ‘Granny Committees’. I think the days of Granny Committees had [sic] passed (I-MC8).

Often people who are on management committees aren’t experienced people. Sometimes they’re just people for the community who have an interest in that particular org or that field of expertise. They have an affinity with that org but they don’t really have the skills or the expertise to manage or make decisions on quite large sums of money. I’ve been on
many [management committees] where you have a lot of people who don’t really know anything about what you are doing but they are making these decisions (FG4).

The Positives of Professionalisation

In this study, some professionalisation of management committees was reported as positive. Ten participants whose organisations had some ‘professionalised’ management committee members reported positive outcomes; including their organisation presenting a more professional image and being better able attract funding.

We [the management committee] know exactly where the money is being allocated [now]. So it has become much clearer to us (I-MC1).

[What works?] Well, having a professional board, having a very professional CEO, a professional team (I-MC8).

I think what is working is the strong committee. … I couldn’t have said it was a strong committee two years ago (I-MC2).

We have had a change in thinking about overall funding. This has had a positive impact on the service as it has made management identify where and how they spend their money (FG1[C]).

According to participants from a small number of participant organisations, their organisations had embraced ‘professionalisation’ of the management committee to make practices in their organisation more in line with for-profit businesses. As such, they related this organisational change directly to the change in funding body requirements:

A few of us had made a conscious decision to bring in the business focus. [We sought] the people who had business, government or bureaucracy type backgrounds, so we had some understanding of where the funding bodies were coming from (I-MC8).

In this study, it was found that professionalisation of the management committee could also assist in attracting management committee members to join the organisation. While earlier in this chapter it was reported that more than half the participants found the recruiting of management committee members difficult, about a quarter of participants described processes where their organisation had become more strategic about whom they ‘invited’ on to the committee:
I think we are far more strategic in recent times in encouraging board membership (I-MC8).

[The Board] went after bank managers and people of that calibre (I-Co8).

We also have a councillor on our committee; he’s the Deputy Mayor. And also the Vice-chair of our organisation is the Community Development Officer, Aged-persons employed by council (I-MC2).

We also have a representative from [the local council] (I-MC3).

Changes in Discourse to Reflect Professionalisation

As detailed in Chapter 6, a few organisations in this study had officially changed some of their terminology to reflect the professionalisation of their management committee. The most prominent change was the use of the term ‘board’ rather than ‘management committee’. This change of terminology was used in a few participant organisations to denote and support the increased professionalisation of management committee members. Participants from these organisations reported that their organisation considered that there was a higher profile or status in being a ‘board member’ rather than a management committee member. They believed that the persons they were now looking to attract - largely from the business community – would be able to better recognise the term ‘board’ and its meaning than the term ‘management committee’:

[There is] more status in being on a ‘board’ (FG1).

There seems to be some merit to this view. In writing the word ‘board’ there was a compulsion to capitalise it as a proper noun and indeed the lower case version of the word may be regarded as a grammatical error. As the term ‘management committee’ has not been capitalised or treated as a proper noun throughout this thesis capitalisation of the word ‘board’ has also been resisted. This compulsion to formalise one word but not the other, supports participants’ thesis that the use of the word ‘board’ indeed has increased status and is more recognisable as a proper noun than ‘management committee’.
In this study, it was found that the use of new terms such ‘board’ were not merely a change in terminology to attract management committee members and/or funding. Such changes in discourse usually reflected significant changes in organisational philosophy and practice. For example, a change to more business-like terms reflected a change to a business-like model of ‘governance’ for these organisations. As discussed in Chapter 6, ‘governance’ depicted an organisational change where the organisation was ‘governed’ rather than ‘managed’. Using this model of governance, the term ‘management committee’ was seen as being not just of lower status and less recognisable, but inappropriate.

**Professionalisation and Community Representativeness**

As mentioned above, not all participants in this study embraced ‘professionalisation’. There was some notable divergence of opinion, in both the focus group and interview data; with some discord among participants, and even within organisations, regarding whether management committee members should be chosen for their ability to represent their community, or for their skills and ability to meet accountability requirements.

In the focus group discussion and some interview responses there was evidence of tension as to whether professionalisation of the management committee was a good thing and if so how much was a good thing.

More than a few participants voiced some concern that professional members might not be representative of the community and/or understand the organisation’s underlying goals or philosophy:

*They [the management committee] belonged to services that had some connection and I was concerned that we weren’t really representative of the community (I-MC1).*

*It would take time [for new business-skilled board members] to understand it all and not change the organisation from its philosophical roots (I-MC8).*

Of particular concern to a few participants was that targeting professional members might result in the loss of local understanding and/or local participation:
I don’t think residents from [local suburb] are going to be interested in looking at a centre at [another suburb in the same municipality approximately 25km distance] (FG1[C]).

One participant, who was a member of a management committee that was now largely professionalised, raised issues about most of the members of this committee not residing in the area that, as non-residents, she believed lacked an understanding of the area and were not representative of the community.

When I came on, almost all the committee members lived in the [area] they all had connections in the community. Various degrees of professional knowledge and background that has happened over the time. I was the only person who actually lived in the area. I was very concerned about that (I-MC1).

This participant cites an example of a ‘non-local’ management committee member advocating for amalgamation with another organisation, which according to this ‘local’ member, had a “hugely different” demographic:

I can understand her thinking but she doesn’t live here and it’s a community (I-MC1).

Although, participants from at least four organisations in this study had stated that there was no change to their committee in terms of new people or a new way of thinking, most participants thought that it was important to have both:

I think there needs to be a mixture between having service providers and having community representation. Community representation is ideal but you can’t force it (I-MC5).

More than a third of participants inferred that at least a few committee members with specific skills and expertise were required to assist the organisation to negotiate the new funding and accountability requirements:

I think there needs to be some sort of line-base knowledge (FG4).

Our Community (2003), while acknowledging the value those with business skills and experience can add to management committees, were concerned that the contribution of the business sector to increased efficiency might compromise organisations’ core missions and undermine the community’s control.

In this study, however, professionalisation did not necessarily preclude community representativeness. In most organisations, both skills and representation were
sought. In a few, however, the emphasis was heavily skewed to seeking skilled members. A few participants had changed the focus of their recruitment of management committee members with a preference for members with professional skills before other attributes. In Focus Group 1, for example, one participant described the recruitment of a committee member who had no previous experience or qualifications in the organisation’s client group or in human or community services more generally. Instead, this committee member was sought for her experience and qualifications in managing business finances. The participant who reported this saw the recruitment of this member as advantageous to her organisation. The quote below also demonstrates this skew of shift towards favouring members with particular skills:

*I immediately saw that it was not functioning as a management committee. We needed to start bringing things into line. The philosophical approach of the organisation was what attracted them, rather than the organisation targeting board members for their specific skill sets (I-MC8).*

While it may be have always been difficult to balance ‘representativeness’ and ‘commitment to the cause’ against ‘expertise’ in the membership make-up of community management committees, as detailed above, most participants felt that changes in accountability and legislation had increased the need for at least a few members of the management committee to have knowledge and experience in financial and/or business management. If, to ensure that committee members have the skills and experience to understand the new models of funding and accountability, members who are not necessarily representative of the community replace community management committee members – ostensibly representative of the community – where does this leave community representation and the organisation’s accountability to the community?

*This management committee has worked very well and I think part of the reason for that is the fact that we have had input from professionals. I felt comfortable in having service providers on the committee, because I thought these are professional people, they will stay on the task and do things properly (I-MC5).*

Although most organisations in this study were attempting to balance this representation on their committees, there was a sense that it had become increasingly difficult to find members who could fulfil both roles:
We have had two bank managers as treasurers in recent times. One had a very strong social conscience and the other person had a very strong belief in their need to do something in the community. So they both had a very strong belief in community service and community work. But they hadn’t put it into practice before. It would take time to understand it all, and not change the organisation from its philosophical roots (I-MC8).

Representativeness: Now or Ever?

When analysing the effects of professionalisation of community management committees on community representation, how effective community representation was prior to the changes of funding needs to be examined. While, the community management model is based on the management committee as volunteer representation of a wider membership (Lyons 2001), the present study found that this was rarely the case. Only two organisations in this study had a wider membership beyond the management committee. In most participant organisations, the management committee members were largely ‘selected’ by other committee members or staff, rather than from a larger membership base.

Due to the difficulties in finding members, some participants indicated that their selection processes for members was either non-existent or not very discerning. More than half of the management committee members interviewed indicated that they had joined the organisation because a friend or colleague ‘persuaded’ them to. The difficulties in attracting and retaining management committee members had lead to most organisations not having any kind of formal selection process in place to ensure quality membership:

There is not much choice in management committee members – you are glad to get any (FG1).

This “glad to get any[one]” approach may have resulted in organisations co-opting some members who were less than committed. This is consistent with Woodward and Marshall (2004a), who found that in the elections for directors almost two thirds of non-profit organisations in their study reported that elections were rarely contested.
The present study, however, found that recruitment of management committee members through personal approach did not necessarily equate to lack of commitment of these members. The participants in this study, for example, were strongly committed to their organisations as evidenced by their willingness to participate in this study and the responses they gave.

Even so, high commitment and availability of a few have resulted in the same people representing their community on several management committees. In this study, six participants reported that only a few people, in any given community, chose to participate, and often that these people ended up on more than one management committee:

- Unfortunately, there are a handful of people in each town who do it all, who are on all the committees (I-MC2).
- It’s usually the same people (FG2).
- It’s hard to get fresh faces, so you are actually asking the same people to do more work (I-MC5).

The concept of ‘true’ community representation could be a myth or a romantic discourse. No matter how democratic the process, identifying community membership is subjective – subject to individual choice on the part of both the identifier and the identified. Community participation is also a matter of individual choice. Difficulties in recruiting, retaining and supporting management committee members have long been a feature of community organisations. The links between community organisations and the community have long been tenuous, with some commentators questioning whether the model does, or can, allow for ‘true’ community representation (Everingham 1998; Lyons 2001). Lyons (2001) describes the perception that community organisations are managed by community representative volunteer management committees, as “romantic discourse” (p.37).

This seems to weaken somewhat the claim of links to the community through ‘community management’. While the community management model attempts to
reconnect with the community, if there is no membership other than a hand-selected board, questions as to representativeness and accountability are raised. With few or no effective mechanisms to find out what their community’s needs are aside from the presenting needs of current clients and a handful of management committee members, community organisations are likely to focus on service delivery specific to presenting clients, rather than looking at developing projects across the wider community.

As detailed elsewhere, in this chapter and the last chapter, difficulties in recruiting management committee members have been heightened by the difficulties participants experienced in recruiting volunteers more generally and by the increased complexity of legislative requirements. One participant’s cry that “It’s hard to keep that whole story alive” (FG3) encapsulates the difficulties people involved in community organisations experience in endeavouring to support the management committee model. This participant’s use of the word ‘story’ also indicates some consciousness that the maybe the community management model is itself a ‘story’, a ‘myth’ or a ‘romantic discourse’ (Lyons 2001).

In this study, it was clear that participants wanted to ‘keep the story alive’, however difficult that might be. There was universal support from participants in this study for the ideal of community management:

\[ I \text{ think it’s a good democratic way to do things (I-Co1).} \]

\[ I \text{ love this model of community management (I-MC5).} \]

A synopsis of the issues reported in this study, however, demonstrates that in practice the model is problematic and challenging to maintain. Even when management committee members are recruited via democratic processes from communities, there are a number of other issues associated with their volunteer status and often precarious position in organisations, which can make their ability to be representative difficult. Some of these issues are described below.
Staff and Member Roles and Representation

One significant phenomenon to emerge from the data in this study, which could potentially affect management committee members’ ability to be representative, was poor distinctions between the roles of staff and management – or what are referred to in this study as the ‘blurring’ of staff and management roles.

There was evidence of a blurring of the roles between paid staff and management, with reports of staff selecting, training, supporting and sometimes even directing management committee members:

*The management committee don’t have the skills required. In reality, the coordinator does everything and the management committee just signs stuff (FG1).*

The management committee, in all participant organisations, was comprised of volunteer management committee members. Participants reported that, as volunteers, management committee members often had time constraints due to other obligations, which had made it difficult for management committee members to fully commit to their role.

More than a few participants expressed concern that their management members lacked expertise, citing examples of management committee members with little understanding or experience in organisational management:

*A lot of issues in regard to management, recruiting of management committees and management committees knowing what they are really on about (I-Co9).*

*Sometimes it’s actually hard to get management committee members [of smaller organisations] to understand they have some liability (FG3).*

Participants representing almost all the organisations in this study reported that staff, in their organisation – typically the coordinator - trained, guided and/or supported management committee members:

*Sometimes I feel that we need a support group for the committee (FG1).*

*[Our coordinator] was a great educator. … He imparted a lot of his knowledge onto the committee (I-MC2).*
One participant expressed concern about how this role blurring could be a significant risk to the organisation:

_The rest of the committee have no idea of how to run [the organisation]. If it wasn’t for the coordinator and myself, they would be totally lost – and I think that would probably go with a lot of management committees. You’ve got people in their 60s, 70s and 80s who have been in these committees for years and years and years and just run the way they know and then they just rely on the workers and say ‘yeah, you do what you think is right’. The thing is they have been very fortunate in [that] the workers that we have had in these positions have been very loyal and honest, so they could just as easily employ someone and, you know, they could rob you dry (FG2)._  

Participants reported that staff being engaged in training and supporting management committee members occurred for pragmatic reasons indicating that it was too expensive and inconvenient to send committee members to training outside of the organisation. Almost a third of participants reported issues in both finding the resources to provide training and in getting the members to attend. Of particular concern to both paid staff and management committee members, was a reported lack of resources that organisations had available to them to provide appropriate training to members.

Approximately a third of participants reported that the responsibility for staff to train the committee had increased with increased expectations and complexity of legislation. A few participants asserted that the government should resource organisations to cover the increase in the need for training due to changes and funding and accountability:

_There is more need of training of …management committee members (I-MC5)._  

This supports the findings of Hough et al. (2006) who also found that lack of training and knowledge of management committee members was a common problem in non-profit organisations. They argue that non-profit organisations tend to ‘under-invest’ in ‘governance capacity’ and recommend that organisations consider investing more “in professional advice for their boards” (Hough et al. 2006 p. 12).

The present study found, however, that small community organisations may not have the financial capacity to do this without further support from funding bodies. To
counteract this, Hough et al. (2006) suggest that governments should consider investing in director education.

In this study, most participants reported that even when resources were found, the lack of free time committee members had (or were prepared to commit) often precluded them from attending training:

_They are prepared to come along to their monthly meetings, they are prepared to read reports and they think they are there for ‘rubber stamp’ issues. But getting them to come along for training in between management committee meetings is actually a bit of a hassle (I-MC5)._ 

Two participants speculated that part of the issue appears to be the voluntary status which, according to these participants, meant that membership responsibilities took on a low status or priority in the life of some management committee members. This speculation held that if members were paid, they might be more committed. A few participants considered the idea of paying community management committee members in a similar way that for-profit board members are paid:

_In private boards they have sitting fees for board members and I think in some respects, if we could have sitting fees, that would support the professional role that the management committee does hold (I-MC9)._ 

Hough et al. (2006) also explore the possibility of paying ‘directors’ of non-profit organisations to sit on boards (or management committees). In addition to the resource issues mentioned above, however, this also raises a number of questions around people’s motivation to be involved and the importance of volunteer aspects of their participation: “paying directors might ironically reduce commitment and engagement by undermining the voluntary ethos that characterises many non-profit organisations” (Hough et al. 2006 p. 12).

In this study, participants in the first focus group discussed other ways of recognising or ‘rewarding’ management committee members. One participant asserted that “goodies” and “freebies” at the organisation’s annual general meeting (AGM) made members feel “important and appreciated”. Another participant on a working visa from the United States described how in the USA many organisations put advertisements in the newspaper thanking board members.
Informal practices and representation

This study found that time-poor, poorly informed management committee members can lead to a type of ‘tokenism’ where the management committee members take on a symbolic role while the paid staff manage the organisation.

One significant finding of this study, which questions ‘true’ representation, was that management committee members in some organisations were effectively excluded from many of the decisions made. As discussed above, most management committees, by virtue of being volunteers, had relatively little time and often lacked the level of expertise of the paid staff. Being less informed than some staff members, some management committee members were less able to fully participate in organisational networking and decision making processes. Many management committee members were effectively excluded from the ‘real’ decision making that occurred in organisations due to the paid staff being in a better position to make informed recommendations that were then formalised into decisions by the management committee.

Examples were cited of management committee members being isolated from and anonymous to those connected to, but outside of, the organisation. This exclusion from participation played out in this research. Only four of the participants in the focus groups were volunteer management committee members, with the rest being paid staff. While the low representation of management committee members in the focus groups was partly because the focus groups were held during work hours, when management committee members might be otherwise engaged, it may also have been due to the initial approach to the organisation being through paid staff who self-nominated for the groups on behalf of their organisations.

The isolation of management committee members was also apparent in the low representation of management committee members involved in inter-organisational activities. For example, there were only two examples in the study of management committee members being involved in interagency networking.
A significant example of the exclusion of management committee members, which became apparent in this study, was that of a largely informal relationship most of the participants who were paid staff reported with frontline funding staff. Frontline staff was a term used by participants to refer to staff in the government funding bodies who were the first point of contact between community organisations and the government funding agencies. This relationship had been an important element in the ability of participant organisations to ‘bend’ requirements to allow some semblance of ‘business as usual’. Approximately half of participants who were paid staff spoke of a good working relationship with ‘frontline’ staff based on mutual support and respect. They reported that this relationship had assisted them to negotiate some of the challenges presented by the changes in funding and accountability:

We have a fairly close relationship with some of the people within the funding bodies (I-Co9).

We have been very lucky actually. We have always had a good relationship with all funding bodies. The Project Officer was actually quite instrumental in helping us in the processes that we needed to go through. We actually have a good rapport. She was only a phone call away (I-Co5).

According to these participants, however, their management committee members were chiefly excluded from this relationship. In this study, participants who were also management committee members mostly (with the exception of the two mentioned above) reported no or minimal contact with the funding bodies.

This low representation of non-paid staff reflected general concerns that volunteers do not have the time or capacity to fully participate (Onyx et al. 2002). The lack of access to management committee members and their consequent lack of participation in important organisational activities could restrict their ability to fully participate in the management of the organisation.

These same informal relationships have the potential to disempower management committee members. Informal relationships or networks can lack transparency and are open to corruption, they can also be very inclusive, making it difficult for those not currently part of the network to engage with those within it (Keast and Brown 2002; Keast et al. 2006). As it is a connection to the community through membership, that community organisations argue sets them apart from other types of
organisations, excluding these representatives from real decision making processes could sever these connections. The effects of informal processes and relationships need to be addressed if community organisations are to ‘keep the story alive’.

Interestingly, one feature of managerialism is the formalisation of relationships. While formalisation of procedures and expectations has created significant frustration and resource issues for community organisations, as detailed in the previous chapter, formalisation of procedure and relationships could also assist in increasing the effectiveness of community representatives. For example, with increased formality and more central control, participants reported that their relationships with frontline staff were becoming less influential:

*Most of the people that we worked closely with within the department were accepting of what we were saying, but [they] had their hands tied because they were working under the direction of guidelines (I-MC8).*

Given that informal networks can disempower those who are not party to the relationship (Keast and Brown 2002; Keast et al. 2006), any lessening of the influence of front-line staff as government policy and departments became more centrally controlled, could potentially have two outcomes for community organisations. Although, according to participant responses it would remove a significant opportunity for inside support from the government agency, it could also eliminate one of the complexities between paid staff and management committees. Increases in formality and decreased flexibility at the frontline of government departments, as a result of the increase in central control at the government level, have the potential to also increase the control management committee members have at the organisational level. Hence, in this example at least, governmental efforts to increase formality could actually support the community management model in facilitating fuller participation of management committee members.

**Non-voluntary Volunteers and Representation**

The community management model is based on the management committee members as volunteer representation of a wider membership (Lyons 2001). This study found, however, that as management committee members and general
volunteers became more difficult to attract as tasks and responsibilities became more complex, organisations have looked at other ways to recruit management committee members and general volunteers.

One method of recruiting management committee members was through reciprocal arrangements between community organisations. In approximately half the organisations in this study, at least one member of a management committee worked for another community organisation and/or one staff member or more ‘volunteered’ for another management committee.

Six participants, representing five of the ten organisations in the interview study, cited examples of ‘sourcing’ some of their management committee members from other community organisations:

Most of our management committee are workers of other organisations (I-Co3).

A few participants also reported that some staff and management committee members in their organisation also ‘volunteered’ for committee membership with another organisation:

Two of my staff are on boards of other organisations (I-Co8).

These arrangements, in terms of reciprocity, were mostly informal, with membership not necessarily one for one and not all were volunteering as part of their paid employment.

In this study there was some expressed concern for the effects of ‘reciprocity’ arrangements. One participant (MC1) expressed concern that these ‘reciprocal’ members might not be the best representatives of the community:

[Staff from other organisations on our management committee] are not prepared to meet outside of their working hours, they are not prepared to be involved in anything that they have to do outside their working hours (I-MC1).

Unfortunately there are a handful of people... who are on all the committees. In some ways it can be good or bad. In small towns ...where you have family members sitting and working on two or three committees ...there can be a lot of infighting. ‘I won’t go to that service because so and so runs it’ …It can be detrimental to clients. They don’t
get the service they deserve or need because of the political jargon that’s going on (I-MC2).

There was also some support for reciprocal arrangements:

The management committee is well informed [by me and other staff], as well as a couple of the members that are on the management committee that are involved in the sector (I-Co5).

While some collaboration and sharing was occurring before the changes in funding and accountability, participants reported that they now required some people in their management committee who were familiar with the systems of contracting and accountability. Further connections were made by participants between an increase in complexity of work and the need to seek experienced management committee members, and the difficulties of recruitment:

Now the staff have to network with community organisations and actually approach individuals from those organisations to share their time with one another (I-MC5).

The ‘cross-pollination’ or reciprocal arrangements of management committee members – with the member of one committee being a paid staff member of another organisation with which the organisation networked – had the potential to build bridging relationships between organisations (Onyx and Dovey 1999; Leonard and Onyx 2004; O'Shea et al. 2007). In the present study, however, it seems that its main impact was a decrease in the amount of local, non-professional community representation on management committees. Engaging in this practice of inviting people with skills rather than affiliation replaces ‘social capital’ strengths with ‘human capital’ strengths (O’Shea et al. 2007). This could risk those connections with the community that community organisations see as their echelon – their local connections – that they report sets them apart as ‘community’ organisations.

New and old representation that works

Engagement with Organisational Goals and Representation

This study found that one way organisations have promoted community representation was to ensure that the management committee was engaged with the
organisation’s goals and philosophies. As discussed in detail in Chapter 6, a common feature of review and planning processes was defining, or redefining, the core business and goals to the organisation. This has been an important element of management committees being or becoming more representative. Being clear on what the core business and goals of their organisation were, assisted organisations to negotiate the external changes to funding and accountability requirements, including attracting funding, attracting and retaining staff and management committee members and being better able to work with the limited resources available. Organisational purpose, core goals and missions were being renegotiated and redrawn as a consequence of ongoing internal examination processes for most participants.

About a third of participants reported that their management committee members were either very *au fait* with what their organisation was ‘really about’ or were becoming more aware. A few participants asserted that their staff and the management committee had always been clear on the organisation’s philosophy, while a number of other participants reported that they had reset organisational goals as part of the strategic planning process. These participants, asserted that having common and clearly articulated organisational goals had assisted in the recruitment, effectiveness and retention of the management committee members:

*Certainly access and social justice is really high on the agenda for anybody on the committee. We seem to be a very combatable bunch of people. We don’t have any dramas or infighting on the committee and people almost fight to get on it (I-MC3).*

Informing current and new management committee members on organisational goals and philosophy were seen as important by most participants. A few participants described specific strategies their organisation used to inform management committee members:

*All new people know exactly where all the info is in a published copy of an orientation pamphlet that they can take home (I-MC6).*
This study found that when everyone in an organisation was clear on an organisation’s mission, core goals and direction, the different messages emerging from that organisation were part of the same discourse. For example, in a few organisations where participants had emphasised the importance of goals, the coordinator and the management committee member interviewed used very similar language as each other throughout the interviews, despite being interviewed separately and often on different days and at different venues. These participants reported that their organisations had set up formal processes to ensure that the philosophy, mission and goals of the organisation were well understood. In these organisations, the discourse was refined to the point that different representatives were conveying the same message.

**Member Ownership and Commitment to an Organisation**

Despite the significant change processes and changes in personnel, in this study, there were a small number of significant examples of representation with long-time connections to organisations. Story #3 (in this chapter), for example, describes long-term commitment, community connections and effective personal and community development. While this story describes an example notable for being exceptional, long-term connections with organisations were not atypical. Almost half the participants in the interview study had had a long-time association with their organisation, often in a number of different roles:

*Prior to [being appointed as the Coordinator] I did casual and different contract work for the organisation for 12 years. During that time I have served on the board at different times – this is a long-term association (I-Co9).*

*I came to work here as a wages clerk (I-MC4).*

*I have actually been around the organisation for ten years because I was previously the manager of a neighbourhood centre in the area and I was on that organisation’s management committee. I have a long history with them (I-Co3).*
The Advisory Committee and other new ways of Representation

In the context of restructure, professionalisation and governance; there was a concern, expressed by a small number of participants, about how to ensure community representation when the roles and the make-up of the management committee were changing.

A few participants reported that connecting with and consulting the community was problematic and had become more so due to the other pressures both organisations and the community themselves were experiencing, in the context of new funding and accountability requirements and other broader social policy changes.

Community representation [on management committees] is ideal, but you can’t force it. There needs to be processes for community groups to have their say (I-MC5).

As management committees became more professional and more removed from the day-to-day administration of the organisation, a few participants were concerned that the committee members that were needed to negotiate funding and accountability requirements may not be the best representatives of the organisation’s community. These participants questioned whether the committee (or board) was the best conduit for community connectedness. They reported that community representatives often focused on specific aspects of service provision in organisations and, as such, were not interested in being on a management committee that was more concerned with the overall governance of an organisation.

Even when the committee members were chosen for their community representativeness they may not choose to participate for this reason. This study found that half the management committee participants actually joined the organisations’ management committees to meet very specific and personal goals. A few participants, for example, reported that many community representatives on management committees were focused on a particular aspect of the organisation rather than the overall governance of it:

*There is often a tendency for people to join committees because they have a particular interest or a particular agenda, or they want particular*
results. Like a young woman wanted to join a young mother’s group – that’s all she was interested in. But when it came to discussing other issues, she just turned off. That was her focus, on one thing (I-MC5).

They reported that many potential management committee members decided not to join because they were only interested in one aspect of the organisation:

> We have problems getting management committee people. They don’t come and join committees. All they want to see is if they’ve got the service they want (I-MC6).

> We had one person come over from [management committee of amalgamated organisation] for a short while. They were mainly interested in [their own area]. They formed a Residents’ Action Group over there and they were happier working just in [their own area] (I-MC6).

As some organisations become more involved in strategic management, membership on the committee may have become less relevant to members concerned with specific aspects of service provision. Exploring new strategies of representation, about a quarter of participants described processes their organisation had implemented or were exploring to make connections (or reconnections) with their community beyond the management committee.

A couple of organisations had established local advisory committees, which “feed into the board” (FG1) as a mechanism to ensure local input. Others had set up other types of community consultation processes to obtain feedback from the community. Below are three examples of other methods of representation being used by organisations that participated in this study:

> We have three or four user groups here, the facilitator of each group would certainly talk to the staff. The groups that work really well is where the facilitator has a good rapport and working relationship with the staff members (I-MC5).

> If we recruit volunteers that go out face-to-face, they get more feedback. I have developed a tool to actually get more feedback from the community in terms of what they need (I-Co4).

> We have a unique group that I have created; that I am very proud of, it’s called the ‘Duty of Care Committee’. This committee is completely independent of management. It’s community member, field staff and one member of the board. Their job is to monitor management policy. Not to tell us what to do. If I put out, or the board puts out, a policy which
somebody in the community, or the staff think that if it is going to be in any way detrimental to service delivery quality, they can take it to this committee which will review it and bring [it] to the board, so that it can be reconsidered. That’s the sort of check and balance to make sure that good old economic rationalism doesn’t take away from the grassroots (I-Co8).

This study therefore found that organisations were recognising some of the limitations of the management committee model and, as such, were looking for other ways to ensure community representation and connection. One participant, however, also questioned whether in a seemingly ‘top down’ system – where the government funding agencies essentially ‘chose’ the ‘product’ – whether the connection to the community was still relevant:

The prescriptive nature of our funding limits our ability to respond to the emerging needs that we experience at the coalface. … There is a one-way flow of information, from them to us, with very little temperature taking at the coal-face (I-Co1).

Story #3: Representation through Relationship Building

This story demonstrates how simple, complex and interpersonal relationship strategies have been used to achieve ‘business as usual’.

(This ‘story’ is constructed from extracts of interview transcripts from I-Co3 and I-MC3. These extracts are not necessarily presented here in the order in which they were presented in interview).

We have exercise programs, dietary programs, parenting programs, play groups, art classes, our breakfast program, extra learning programs and the drop in program. We are hoping to get our backroom set up as a computer room, so local people can access the internet. We get a huge variation of people.

It’s a social thing. We have a lot of people in the community that now connect. They didn’t know each other before they came here. It’s also that a lot of people have retired in the area. Most are unemployed or retired. So now they have come out of the pits and sewer works, have retired and looked for something else, or they have known someone who has done something here and they come up to give a hand. They come through word of mouth. I’ve got two gentlemen who come up at half past seven in the morning. They open the centre for me. They bring the bread in, they cut open the bags of bread. He brought another mate to help. So a lot of it is social and feeling that they can themselves contribute and feel part of the community. There are eight ‘fellas’ that do the community garden. They come in on different days or they all
come in together. They sit in the garden, have a cup of coffee, work in the garden and do whatever they feel like in the garden.

The volunteers have taken on that role and that group has evolved. Part of my role has been to get a group going for community development. Now they run it themselves and we just collect the money and we make sure we pay the insurance, volunteer insurance, buy the group microwave ovens and so forth so that group is not struggling and it is run autonomously. So we take over the administration as part of running that group. So the little bit of money they raise goes back into that group.

Some people don’t get it, they don’t understand community development because you can’t see community development. They can’t understand why some people hang about - they should be out working. So it’s trying to actually change their way of thinking too - that everyone will not get a job and that they are in a cycle that is difficult to break. For instance, there is this family where the husband is retrenched. The wife can’t manage, they’ve got six kids. The kids don’t go to school because the father doesn’t worry about the kids going to school, because he never went to school. People that have been educated and are local, can’t understand that. I’m constantly saying not to make judgements on people who are not coping-they are in that cycle.

We try to encourage those people who are a little bit lost. For example, we are going to have a community lunch once a week. Some of them will be happy to do the cooking for that luncheon. So it will bring our volunteers and clients together. It’s also a great way to break down those barriers and pull in those that we [usually] don’t reach.

All the management committee members have been here a long time. Some [staff and management committee members] have been here for twenty or thirty years. That’s unheard of, that’s outstanding. People who have been here for twenty-five years have a hell of a lot of experience. They have also lived here twenty years. [Another member] must be thirty-plus. She is our treasurer, we have had the same treasurer for twenty-six or twenty-eight years! She is seventy-eight years old and is sharp as a tack and, she has lived here all her married life.

This is the area that they live in, and it’s that pride in the community. They are very proud of what we have achieved in the years that we have been here. I think that just to be so committed to the neighbourhood is magnificent, because they just keep coming year after year.

We have thirteen members. They are all strong members, involved in all the services. What works for us is that we all have that certain commitment for the centre. Our workers get in here and do the hard yards too. We don’t sit in our office and expect everybody else to carry and lift stuff- we get in and do it too. We don’t say this is a management committee job and this is a volunteer’s, we are equal. Yes, I will co-ordinate all the stuff that needs doing, but I will also get in and do all the hard stuff. I don’t ask anybody [to do] anything I wouldn’t do myself. I think that’s what works for us. There is no boss, if you see something that needs doing, do it.

We might source food items for a fifth of the price. We collect free bread from two bakers. The breakfast program is the best example. Our milk bill was eighty-dollars a
week, delivered from the milkman. Now it is probably half that because I go to the local garage and buy it for two dollars a litre.

I've been told by people from other centres that [our reputation] is really good. We have had people that have come from way outside the area to look at our garden and to see how things are done, I think that is a huge ego boost. I think we do a reasonably good job and most of the people would probably agree.

A real estate agent come in and he gave us $1000 for the breakfast program. That was not actively sought. We have that happen, not regularly, but often. The Rotary Club has given us X amount of money.

We have always got on extremely well with the funding bodies. We have a good reputation (I-Co3 and I-MC3).

Story #3 Synopsis

This story provides an example of an organisation that has its strengths in volunteering and long-term commitment. The organisation had a strong focus on running a large variety of self-help programs designed to build personal self-worth and social connections. The centre assisted groups to start up and then continued to provide a venue, insurance and some support, with the goal that groups became relatively autonomous. There was a strong philosophy of helping people help themselves, while understanding the underlying systemic issues that can make this difficult. The coordinator saw that part of her role was to help others to understand this disadvantage, this difference. The staff, management committee members and volunteers were mostly engaged in a long-term relationship with the centre of which they were very proud. There was very little hierarchy in practice - everyone ‘pitched in’ and got on with the job. Management committee involvement was often very ‘hands on’ and practical.

This organisation was less affected by changes in funding and accountability than most of the other organisations in this study. They had neither embraced managerialism nor professionalisation in a major fashion or felt that they were being rebuked for not doing so. It seems that their strong and long-term connections with the community had made them somewhat impervious to the changes.
Local respect, longevity, a pragmatic approach and program successes had earned them the respect of their funders and the local community. The centre enjoyed a high level of respect and recognition in their community and beyond. Their reputation also allowed them to raise some funds beyond government. So while relatively small their core business was not greatly altered with the changes to funding and accountability. This story demonstrates that strong community connections, though problematic, are possible when there are strong social ties and long-term commitment.

**Chapter Conclusion**

In this study participants reported increased ‘professionalisation’ of management committees through new recruitment. They reported that this was driven by a perception that people with specific skills and experience were required to work with the new funding and accountability requirements. Although there were some concerns about loss of local representation, some professionalisation of management committees was largely reported beneficial to organisations. This study found that professionalisation did not necessarily preclude community representativeness. While most participants believed that both skills and representation were important, they reported that it had become increasingly difficult to find members who could fulfil both roles.

The participants in this study, and other proponents of community management (Putnam 2000; Leonard and Onyx 2004; Maddison et al. 2004; Spall and Zetlin 2004a; Hough et al. 2006) champion the model for its potential to invite participation in democratic society, and to build individual and community capacity. Community management is ostensibly seen to be representative of communities through connections made possible though volunteer management committees. This study, however, demonstrates that the management committee model as a method for community representation is flawed and problematic.

The study shows that, while the issues with the management committee model have been exacerbated by the change in discourse, at a governmental level, the model has
experienced long-term issues related to the volunteer status of the members. These issues arise as part of the traditional community discourses and have been somewhat exposed by the tensions apparent in the discursive shift.

This study also found that the reciprocal arrangements between community organisations had increased. It was reported that staff from other community organisations were sought due to a belief that organisations required some people in their management committee who were familiar with the systems of contracting and accountability. Reciprocal relationships have the potential to build bridging relationships between organisations (Onyx and Dovey 1999; O’Shea et al. 2007) and increase ‘normalisation’ through mimetic processes (Di Maggio and Powell 1991). However, in this study the main impact of reciprocity was lessening local, representation on management committees. This increase in reciprocal relationships to address the increased complexity of process appears to be using a community discursive framework – that is collaboration – to address an impact of the managerialist discourse with the result being to undermine community representation.

Informal relationships and procedures in many organisations led to a ‘blurring’ of the roles of staff due and management that effectively excluded some management members from decision making processes in organisations. The informal practices that led to exclusion were largely supported by community discourse. Interestingly, managerialist discourse was increasing formalisation of relationships and procedures in the participants’ organisations and thus increasing the effective role management committee members could play in some organisations.

Another effective strategy to assist participation was ensuring that management committee members knew and understood the organisation’s goals and philosophy. This study found that when everyone in an organisation was clear on an organisation’s mission, core goals and direction, the messages from both the management committee member and the coordinator of the one organisation were part of the same discourse. Interestingly, as discussed in Chapter 5, organisational purpose, core goals and missions were being renegotiated and redrawn through internal examination processes for most participant organisations in response to the
tensions arising from discursive shifts. The shift in discourse has therefore also helped increase management committee member participation in this way.

Management committees are not, however, the only avenue to community representation. With committee members being chosen for their ability to negotiate funding and accountability requirements there was a concern about how to ensure community representation. Participants also questioned whether being on a management committee was the best option for community members. They reported that many community representatives are interested in specific aspects of service provision rather than the management of the organisation. As such, as some organisations become more involved in strategic management, membership on the committee may have become less relevant to members concerned with specific aspects of service provision. Some organisations were therefore exploring other avenues of representation beyond the management committee model. Other strategies included advisory boards; community surveys and volunteer facilitators to lead specific programs.

In summary, community representation through the management committee may have always been problematic. The embedded ‘voluntary discourse’ that underpins the model has, however, made it more difficult to sustain in the managerialist model. Interestingly though, the tensions arising from the discursive shift and some of the features of managerialist discourse – including the formalisation of relationships and processes – had improved the ability of management committees to effectively participate in organisational decision making.
Chapter Introduction

The fourth tension that emerged from the data was the tension between competition and collaboration. This chapter explores this in detail. As discussed in the preceding chapters, one element of the changes to funding and accountability has been a governmental push for organisations to collaborate at a more formal level while at the same time; organisations are expected to compete with other organisations for funding. This chapter examines the effects of apparent contradictions in government policies – which call for organisations to be both competitive and collaborative – and the tensions this presents for community organisations.

This chapter also examines an emerging recognition of commonalities of organisations. In response to threatened forced amalgamation takeover by or loss of funding to a larger non-community organisation, many organisations in this study had begun to define community organisations by their commonalities with other community organisations. This has resulted in increased of recognition of common ground. Resource issues, competition policy, prescriptive funding and the inherent diversity of community organisations have, however, created some barriers to solidarity. As such, a whole of non-profit sector is not widely recognised. This chapter examines the need or desire for alliances with other community organisations and the impact these might have on the diversity and individual responsiveness of community organisations.

The main findings presented in this chapter are:

- Significant concern that the changes to government funding and associated contracting and tendering privileged larger organisations;
- Mistrust between organisations - particularly of small community organisations towards larger non-profit organisations – which were largely described as the ‘enemy’;
There is a new emphasis from funding bodies to pool purchases which often leaves small organisations behind (I-Co1).

This study found that people involved in community organisations were extremely concerned that changes to government policy, particularly purchasing and competitive tendering processes, disadvantaged small, community-based organisations. More than a third of participants expressed significant concern that the changes to government funding and associated contracting and tendering privileged larger, usually religious philanthropic organisations to the detriment of small community organisations:

*Government tenders* encourage a consortium of large geographical areas which make it much harder for small community orgs to put in a reply (FG3).
I think that particularly the Federal government they are more becoming more inclined to give money to organisations like [large benevolent organisation] and [large religious organisation] which makes it very difficult for small NGOs (I-MC3).

Other studies have found that the competitive process favours larger organisations. They assert that this is due to these larger organisations having access to more substantial resources with which to pay for tendering, reporting and management (Australian Council of Social Services 1997; Neville 1999). As discussed in Chapter 7, it is a contention of this thesis that community discourse tends to be more embedded in smaller organisations and that working within the framework of the managerialist discourse is therefore more difficult for these organisations.

In this study, there was much speculation that the apparent privileging of larger organisations was a deliberate strategy to decrease the number of small organisations in the non-profit sector. Most participants indicated that they thought that governments were deliberately trying to ‘force’ smaller organisations to either fold, grow or amalgamate.

There is a strong feeling that this is deliberately being done to try and force out the small [organisations] so that funding will eventually just go to a few larger [organisations] that are able to cope with the demands that are being placed on them. ...And it just seems to be a way of pushing them out (FG3).

There is a new emphasis from funding bodies to pool purchase and the collaborative approach which often leaves small organisations behind (I-Co1).

One participant, who had worked extensively in the volunteer sector in another English speaking nation, believed that similar governmental practices she had experienced in this other country were part of the same deliberate strategy to lessen the number of smaller organisations:

This did happen in [the other country]. All the sort of fringe little community organisations and charities they slowly sort of all fell by the wayside or they had to merge and become part of other services and this is what is happening in this sector (FG4).

Participants reported that many newly introduced programs privileged larger organisations. As discussed in more detail in Chapter 6, newer funding programs
were typically introduced as part of the devolution of government services with funding rolling out post-introduction of purchasing contracts and competitive tendering. The administration and design of these newer programs were not tied down or limited by historical funding arrangements in the same way that some of the on-going core funding agreements were. The newer programs are therefore more likely to be subject to competitive tendering.

Participants reported that tenders for new funding programs were often directed at a regional rather than a local level, which made them inaccessible to small, local community organisations. A few participants described newer programs that were structured to favour larger organisations. More than half the participants expressed concern that small organisations were at a disadvantage in tendering for the newer funding programs:

*With the [name of new funding program], it is very clear that larger organisations are advantaged in the process (I-Co3).*

Madden and Scaife (2005 p. 5) found that the advantage of tendering programs to larger organisations was of such significance that small nonprofits feared for their survival. This is important because with fear comes mistrust. The next section of this chapter describes the mistrust that small community organisations in this study expressed towards larger non-profit organisations.

**Dividing the Non-profit Sector**

While collaboration is the catchcry of governments (DoCS 2001; DoCS 2008) this study found that government policy and practice – especially competitive tendering programs – had fostered immense mistrust between organisations. Particularly salient was the level of mistrust people involved in small community organisations felt towards larger non-profit organisations.

In this study, larger organisations were cited by more than a few participants as something to ‘dread’ or a ‘take-over’ threat:

*I dread to think that a big agency in [closest large regional city] would come and take-over (I-Co2).*
We are vulnerable to take-over… We financially can’t compete with some of the big players (I-Co8).

MacDonald and Zetlin (2004 p. 273) also found that competitive funding programs have lead to a high level of distrust between small and large organisations. This is problematic at a time when governments are not only ‘encouraging’ collaboration, but linking it to funding outcomes (McGlashan 2007). Collaboration has also been recognised within the sector as an effective tool to build sector sustainability (Suhood et al. 2006) and provide better outcomes for clients and communities (Metcalf et al. 2007).

This mistrust is dividing the non-profit sector in a way that makes collaboration difficult. It also disallows the sector to present a common front to government and the public for resources and against competition from the private sector. Story # 1 (in Chapter 5), for example, details a dilemma two participants’ experienced with the introduction of private providers in their service sector. In this study, however, only a few participants alluded to the threat that for-profits pose to the non-profit sector, with all other participants identifying the larger non-profit organisations as the most concerning threat to their organisation. Perhaps this was due to larger non-profits being the main competitor of small community organisations in this study – the threat may therefore have been more immediate and salient to the participants.

The relationship between community organisations and private organisations can also be one of partnership. One participant described the philanthropic support corporations give community organisations in the USA, for example. Participants also described how they had ‘partnered’ with private organisations to decrease their dependence on government funding:

There has certainly been some change in partnerships. We didn’t have commercial partnership before, but now we do. We have found, in order to provide some of our services to members, we need to make strategic partnership with [for-profit] organisations (I-MC9).

While larger organisations in the same non-profit sector as the participant organisations were largely described as ‘the enemy’, for-profit organisations were described as ‘friends’ by a few participants. This has implications for whole of sector solidarity, which is further discussed later in this chapter.
Fear of Loss: Loss of ‘Local’

This study found that people involved in community organisations were concerned that ‘take-overs’ by larger organisations would result in a loss of local connections and local knowledge. In this study, almost all participants expressed concerns that larger, non-community managed organisations might not have the same level of local knowledge and connections that community organisations have.

As also discussed in Chapter 7, local knowledge and connections to the community were highly valued. More than a third of participants espoused strong local connections and engagement with their community as an important feature of their organisations. They reported that these local connections gave them a good understanding of community needs:

*The whole point ... is that you are in the community [to] identify the community’s needs and that's what happens in the very small organisations (I-Co2).*

*It’s more you can rely on people on the ground who know what is happening (I-MC3).*

An important part of this connection, for more almost a third of participants, had been the involvement of local people. A loss of input from local people was of concern to these participants:

*You can’t do away with that direct contact with the local community (I-Co4).*

*How do we ensure that local people have input if services are amalgamated incorporating a larger geographical spread (FG1)?*

One participant, for example, expressed concern that people outside the area might not understand the local culture:

*We are quite a strange community in that we have this organisation by the river and we have [name of town] on the other side of the river. That river is a geographical divide, which is nice and wide. There is a bit of a push to amalgamate with this other community because we have similar services but in terms of our demographic, it is hugely different (I-MC1).*
There was also some concern, expressed by a few participants, who were feeling the pressure to amalgamate into larger regional groups, that management committee members might not want to manage an organisation that serviced outside their local area:

*I don’t think residents from [suburb] are going to be interested in looking after a centre at [a suburb approximately 25 km away but in the same municipality] (FG1)*.

The importance of local knowledge was particularly valued by participants from regional organisations in NSW. Rural and regional participants expressed particular concern about the possibility of larger non-community (usually religious) organisations taking over services in their region. They were concerned that the larger ‘outside’ organisations would not have the same level of local knowledge or experience:

*Very often they don’t have a grasp of distance. It’s a big country and out here, it’s no use talking about servicing somebody in twenty-five minutes because it could take an hour and a half to get to the farm in the first place. We have issues out here that are different (I-CO8).*

*And those larger organisations currently have no presence at all in [our region] (I-Co3).*

Regional participants were also concerned that services would be taken out of their town or region and relocated in larger regional centres:

*The problem for organisations in a town like this is that we might get swallowed up by an organisation in a bigger town and we actually lose services rather than gaining them as a result (I-Co2).*

Interestingly, ‘small’ and ‘local’ were relative terms. Even comparatively large organisations in this study were concerned about being ‘out-bid’ or ‘taken-over’ by larger organisations that were seen as non-local:

*Unless there is a radical change in the philosophy, certainly at the state level, we are going to find it harder and harder to compete with the big fellas in the city [large, religious, non-profit organisations].*

Madden and Scaife (2005) also found that small community organisations were concerned that the special features that a local community organisation can offer would be lost with the privileging of larger organisations in competitive tendering processes.
Widespread concern was expressed that this often very locally knowledgeable and focused tier in the sector could be lost, with devastating community consequences (p.5).

**Formalising Old Friendships and Forming New Alliances**

**We need to work as a community to achieve what we need. If all the groups are disparate, arguing and going off looking for different funding then it’s not going to work. We are finding ways of working together to achieve [what we need] (I-Co2).**

This study found that the general ideals of partnership, collaboration and sharing were inherent in community organisations. All of the participants described ongoing partnerships or collaboration with other non-profit organisations. Collaboration was an important feature of the community discourse. It was seen as something that community organisations did as a matter of course – not something that they had been driven to do by changes to funding and accountability:

*Networking is far better than trying to compete with everybody (I-Co4).*

*The workers in neighbourhood centres seem to be very good at networking (I-MC5).*

*We have worked very well in partnerships with other local community projects. We have developed really strong networks across the area, which is very helpful (I-Co5).*

In keeping with community discourse, collaboration was used a paucity strategy to stretch scare resources. Almost all participants provided examples of where partnerships were used as an important tool for stretching resources and with the goal of providing the best possible services for their communities:

*We can pool resources (I-Co7).*

*A lot of it is working in partnerships to make better use of resources (I-Co5).*

*I’ve been here for a long time and we have community resources that work very well here. But some [other organisations] don’t have workers that are very skilled. Sometimes it’s only one worker or just a part time worker. Committees sometimes don’t realise what their responsibilities are - all sorts of things. So we exchange ideas (I-MC6).*
In most examples ongoing, long-term partnerships were based on informal relationships. Participants described high levels of mutual support and trust, which were maintained through relationships rather than documented into agreements:

*We work very much in partnership… we share costs, we share facilities. I wouldn’t say it is a formal partnership arrangement but we work closely together (I-Co2).*

With the changes to funding and accountability, however, the nature of the collaboration in non-profit organisations had changed. More than half the participants described examples of formalising old partnerships, and creating new ones, in order to attract funding:

*The [executive officer] has a very big role in developing partnerships with other key stakeholders: with governments both local, state and commonwealth. That has definitely increased. Because of the need to develop those partnerships so that you can access funding as it has been made available (I-MC9).*

*We have been involved in looking at new initiatives for funding. Creating new opportunities for partnerships with organisations where we can generate some additional funding and tendering for new funding (I-Co9).*

There was also a shift in the motivation for the development of some partnerships. About a third of participants described being party to partnerships or consortiums specifically set up to tender for specific funding. Participants reported that this was necessary due to competitive funding programs covering large geographical areas making them unavailable to small community organisations unless they formed consortiums (or formalised partnerships) with other organisations:

*We have a major project program that we have all signed off that [each partner] will provide staff etc to run this program (I-Co2).*

In keeping with the emphasis regional participants placed on local connections and knowledge, as discussed above, there was also a very strong emphasis on partnerships in regional areas. Participants from regional NSW asserted that collaboration with other services in the same area was particularly important to maintain particular regional aspects – or ‘localness’ - of the service provision. Regional participants reported that partnerships with other organisations within their region have become more important due to an increased threat of competition from outside the region.
You either get together with us because we are country people, we are regional and we understand where you come from, or you have got to be talking to ‘Uniting Care’ or thank God, for the ‘Salvos’ And [the service provision] will be coming out of Sydney (I-Co8).

The references to ‘Uniting Care’ and the ‘Salvos’ in the above quote refer to large religious based organisations with ‘Salvos’ being colloquial for the Salvation Army. While the organisations referred to in this quote are also non-government, non-profit organisations and hence part of the third sector, the participant was asserting that there were important differences between these organisations and community organisations. The main distinction this participant made was an assertion that community organisations were more locally focused than these larger cross-regional organisations. As discussed above, however, the term ‘local’ was relative. In the case of this participant, for example, ‘local’ was redefined to include a large ‘regional’ area.

Formalising Partnerships through Amalgamation

This study found that one strategy that was adopted by a few organisations, in response changes in funding and accountability, was ‘amalgamation’. Amalgamation, in this thesis, refers to a formal, legal merging of two or more organisations into one organisation, which is then overseen by one management committee or board.

In this study, a few participant organisations had amalgamated with other organisations. Of these, two participant organisations had amalgamated a significant number of services in their local government area or region to form into relatively large organisations. Another had amalgamated one or two services on a smaller scale. Most participants reported that their organisation had considered amalgamation. A few participants reported that their organisation was engaged in dialogue with identified organisations at the time of the interview.

We have merged with other organisations. We are up to two to three million [dollars turnover p/a] now. In 1997, we were about six hundred thousand dollars. So that’s a big change of scale of operation (I-MC8).
Participants from the two organisations that had amalgamated into a relatively large organisation reported that their organisation had amalgamated to render their organisation more attractive to funders, and more viable and resilient to increasing costs through creating ‘economies of scale’:

_As a larger organisation, we capture economies of management (I-Co8)._ 

In this study, the benefits of partnerships and amalgamation were linked to capacity building by more than a few participants. For example, one participant speculated that amalgamation might assist in addressing the challenge of recruiting management committee members:

_I think you wouldn’t have as many problems in finding recruits for the management committee. Say, for example, if we got seven on our management committee and [another organisation] has got seven on theirs, then if you amalgamated - I think you wouldn’t be in the same situation that you are in when you are trying for recruitment (I-Co4)._ 

Another motivator for amalgamation or partnership, cited by a few participants, was to support other organisations and services less resourced or supported:

_We were amalgamated seven years ago. They couldn’t get a management committee at all. They would have lost their funding (I-MC6)._ 

The example quoted directly above fits with the more traditional community discourse – viewing community organisations as caring and collaborative. On the face of it it would appear that such an amalgamation was not driven by changes in government discourse and practice. Given the examples participants in this study gave of the pressures of recruiting and retaining management committee members (detailed in Chapter 7), however, it is reasonable to suggest that changes to funding and accountability could have also contributed to the dilemma this organisation was in, which necessitated the amalgamation in order to survive.

Amalgamation of small locally-focused community organisations into larger organisations in which a local focus was particularly valued seemed fraught with contradiction. Amalgamation of organisations with varied foci and philosophies could decrease the local focus and flexibility that ostensibly allows organisations to respond to the diversity of community needs. This contradiction was recognised by
about half the participants and was cited as the main reason why organisations had not engaged in amalgamation:

Amalgamation was considered quite a lot. ...I don’t know if it would benefit us really. One of our qualities is our flexibility and our ability to respond to issues that arise (I-Co3).

Collaboration – Voluntary or Coerced

This study found that, whether partnerships were seen as voluntary – that is, the choice of the organisation – or coerced – that is, forced upon community organisations by government – made a difference to how people involved in community organisations viewed the partnership.

More than a few participants expressed concern that formalised partnerships, such as amalgamation, may be coerced rather than voluntary. They expressed that, if partnerships were coerced, they were not necessarily in the best interests of the organisation or the community it served:

There is a lot of talk about capacity building and that whole idea that they have to come together to help each other and form units. And they are not allowed to maintain individuality and for a lot of community [type of organisation] I don’t think the future looks good (FG3).

We work together for issues for the region but I think we still need to have those individual goals and directions for your own town. Once you get into a big partnership you are swallowed up by this, this is the direction you have to take (I-Co2).

You fight over the direction and I don’t know if that’s good for the community or ...the people you need to help (I-MC3).

Most of the participants expressed fear of being coerced into partnerships. There was only one example, however, of an organisation that was overtly coerced in partnership to maintain funding. Nonetheless, the interactions between coercion and choice are complex.

Almost all organisations in this study had engaged in or considered a partnership to maintain or gain funding. In the context of resource pressures (as detailed in Chapter 6) and the quasi-market – with the government essentially the only purchaser – the
choices of community organisations were somewhat limited. With the changes being driven at a governmental level, much of the pressure for formalised partnerships was coming from outside the community sector. Most participants cited that partnerships were formalised due to internal decisions, however the external pressure to be seen as a larger, more viable or stronger organisation to attract or maintain funding was often the catalyst for these internal decisions. This equates more closely to coercive pressure than normative processes. This is important because if coerced, than the power to decide what happens in these formalised relationships could reside with the government rather than the organisations in the partnerships (Di Maggio and Powell 1991). Because the coercion is not overt, however, these power distinctions might not be recognised (Foucault 1981).

Furthermore, formal collaboration or partnerships are more likely to fail if they are formed simply to gain funding without considering the more holistic goals and intentions of each party (Metcalfe et al. 2007).

In this study, different quotes by the same participant demonstrate that formalising partnerships can contribute to mistrust. When describing partnerships that existed prior to changes in funding and accountability, the participant used the word ‘share’ twice in the one sentence:

\[\text{We work very much in partnership... we share costs, we share facilities.} \]
\[\text{I wouldn’t say it is a formal partnership arrangement but we work closely together (I-Co2).}^7\]

However, when this participant described a new formal partnership, ostensibly decided by the community organisations themselves, to tender for specific funding, she mentions the necessity for each of the partners to “sign off” to ensure everyone does as they have agreed:

\[\text{We have a major project programme that we have all signed off that [each partner] will provide staff, etc to run this programme (I-Co2).}^8\]

This is a major shift in discourse and practice from trust to mistrust. It also demonstrates the complexity of the interaction between discourse and practice – that

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^7 The quote is repeated to demonstrate the point without requiring the reader to return to the original citing
^8 As above
is, the formalised processes included paperwork that required signatures. Did the practice of signing build mistrust or is the paperwork necessary because the mistrust is already apparent?

The dilemma outlined in Story # 1 (in Chapter 5) also highlights the differences in the informal, natural partnerships and more formal coerced ones. The participants described major shifts in their own discourse and practice due to working with a group that uses a different discourse:

> Because our philosophies were based on the belief in community model and very much the sharing of knowledge and resources. …Then all of a sudden you are in a situation where you have these private providers that don’t work under that collaboration or that sharing model (I-MC9).

They found that the traditional community discourse was irrelevant to the private organisations. So they changed their discourse from that of having services to ‘share’ to having services to ‘sell’:

> We have done a lot of changing of communication processes, logo, branding and marketing (I-Co9).

Although, there was some expressed concern, in this study and elsewhere (HRSC 1998; Neville 1999) that organisations will be forced to amalgamate with other organisations in order to gain funding, amalgamation can also maximise the ability of community organisations to more successfully engage with the new funding and accountability requirements and provide the best possible services to their community. Formal partnerships, including amalgamation, if properly organised and initiated by the organisations themselves, can have many benefits in terms of developing economies of scale where knowledge, labour and other resources can be shared (Metcalfe et al. 2007). Story # 2 (Chapter 6) provides an example of successful amalgamation.
Sub-contracting

Sub-contracting: A Strategy to Keep Services Locally Focused

Another phenomenon that was emerging at the time of this study was that of the ‘lead agency’ and sub-contracting. Sub-contracting, in the context of this thesis, is where an organisation with a government funding contract engages another organisation to do some or all of the work written into the government contract.

We weren’t successful. However the successful tenders, I gather, had been virtually told to find regional partnerships. So we are in the early stages of discussion with those guys (I-Co8).

In this study, there was some sub-contracting occurring. Six participants representing four organisations reported that their organisation was sub-contracting the provision of services to an agency other than government or was in the process of negotiating such an arrangement:

*We are now negotiating locally with the same people who were on the reference group about how they might be able to use local services or develop relationships with people* (I-Co3).

A number of interview participants described examples of where sub-contracting was used as a strategy to ensure that localised or specialised services were available in their area. Larger organisations sub-contracted smaller organisations who could provide services directly in specific areas or with a specific group, where the centralised hierarchal structure of larger organisations made the provision of specialised services at the local level difficult (Neville 1999; Madden and Scaife 2005). This occurred when the community organisations did not meet the tender criteria – usually due to size or limited locality – or did not win tender in a competitive field. Sub-contracting was particularly important to participants in regional NSW who, as discussed above, were particularly concerned about services maintaining a local focus:

*We are now negotiating locally ...about how they [the successful tenderers] might be able to use local services or develop relationships*
Organisations who offered services to specific groups based on ethnicity or culture, for example, also saw sub-contracting as important when the main contract had gone to an organisation that was seen not to have the same level of knowledge specific to these groups. This fits with the community discourse – stepping in and providing service for clients when it is believed that they will not get the same service elsewhere. This study found, however, that sub-contracting usually means ‘doing more with less’. A few participants involved in sub-contracting reported that sub-contracting often resulted in less funding to perform the same or similar services they had once been funded by government to provide more directly.

According to these participants, tenders won by ‘lead agencies’ were often for the same service provision that smaller community organisations had bid for but did not win. Participants expressed frustration that tender processes were not necessarily based on who was best placed to provide the services. To these participants it seemed inherently unfair that larger organisations who were not well placed to provide specialised service provision ‘won’ funding contracts where specialised services were required. These participants were, however, viewing the process through the lens of community discourse, where the focus is on the best quality service for the client. In the managerialist discourse, the priority would be that a service was provided in the most efficient manner. From the government funding agency view, working within the managerialist framework, sub-contracting means they only have to deal with a few larger organisations who are likely to be more in line with the managerialist discourse, rather than numerous smaller ones who operate from the perspective of community discourse. Furthermore, as some community organisations – working from a community discourse – are willing to provide the services for less, the services are still provided at the local or specialised level.

**Sub-contracting and Relations of Power**

This study found that relations of power were further complicated by sub-contracting. One participant, for example, alluded to an apparent ‘insider’
relationship some larger non-profit organisations have with government and how this may have biased the tender processes:

The reference group set up to develop the early intervention framework had a number of large charities... the groups that were successful in making it to stage two were of course the larger organisations. The smaller organisations were 70% of the tenders. We are now negotiating locally with the same people who were on the reference group (I-Co3).

This study found that sub-contracting can also bring into play a new level of power relations between government and community organisations. Participants reported that sub-contracting can result in a small organisation needing to abide by the rules and doctrines of another organisation that may have a specific agenda that conflicts with the sub-contracted organisation’s agenda. Furthermore, participants reported that the contractual arrangements between the two organisations were usually also less transparent and less open to public scrutiny than a direct contractual arrangement with government:

This is another layer of bureaucracy being created in each state or territory. And the idea of lobbying or advocacy now, isn’t just about what the government can do, it’s what the …lead agency can do (I-Co9).

They [larger organisations] can call on the smaller organisations so they can cherry pick what they purchase. The purchase provider would have a large impact (I-Co3).

One of these participants believed that her organisation was in a more precarious position in a contractual arrangement with a non-government organisation than it had been in when contracted directly with government:

From our perspective, [sub-contracting] is more challenging because in tendering to that organisation, there may sometimes be things that we don’t agree on, like the way that the organisation is operating. I know you have to hold your tongue or you may end up with no funding as a result (I-CO9).

While partnerships with other organisations serving the same local area are seen as an important strategy to ensure local service provision, the uneven power relations could make it difficult for small local organisations to have any influence. MacDonald (2002a) assert that some organisations have more leverage with governments than others due to informal relationships and the ability of some organisations to engage in governmental discourse and processes more effectively than others. These tend to be larger organisations with resource capacity and
existing informal connections with governmental personnel. Others also refer to what they see as the unfair bias of competitive tendering processes in favour of larger organisations (Australian Council of Social Services 1997; Neville 1999).

These informal relationships between government and some of the larger non-profit organisations provide an example of double standards. As discussed in previous chapters, a salient feature of managerialist discourse in its application to community organisations has been the formalisation of relationships and processes, with mixed outcomes for community organisations. Simultaneously, however, governments continue to engage in informal processes that appear to favour the larger non-profit organisations that participants in this study viewed as the largest threat to their continued existence.

Sub-contracting and lead agencies are becoming more common. In some service provision sectors, governments only contract one or a few organisations with the expectation that this organisation will sub-contract out the service provision more widely (McGlashan 2007).

In this study, two participants from the one organisation (Co9, MC9) described a change in government contracting arrangements that would compel them to tender their services to another larger organisation - which the government had contracted as a lead agency – to maintain funding:

Well, the government is doing away with its direct tendering process. They handed [funds.] in each state/territory, to a big charity organisation and you have to be tendered to that organisation (I-Co9).

[The government] contacted this one central organisation and they tender out to other organisations (I-MC9).

As this type of contracting arrangement increases, there is a concern that community organisations will be further disadvantaged, disempowered and exploited into doing even more with less. This can only happen, however, if community organisations choose to sub-contract service provision for less than the actual cost, driven by community discourses that compel them to take on more than their resources allow.
Trading off ‘small’ for ‘survival’

As discussed above, in this study, although, there was agreement among participants about the importance of ‘local focus’ and ‘local connections’, most were also concerned about the apparent disadvantages to small organisations and the need to make their organisations bigger and, therefore, more resilient.

More than half the participants discussed their desire to make their organisation bigger. In the context of the perceived bias for larger organisations in new funding tenders, a number of participants linked increased size with capacity and sustainability:

*If you don’t have size for resilience, you are a lost cause (I-Co8).*

As government policy appeared to shift away from supporting small community organisations, participants deliberated between keeping organisations small versus keeping them viable. Participants made clear distinctions between community managed organisations and other types of non-profits. More than a third of participants contended that larger community organisations were preferable to large ‘charity’ non-profit organisations.

A few participants argued that the amalgamation of small community organisations to build larger community organisations would ensure the endurance of the community model. They argued that larger, but still community-affiliated organisations would be more competitive against the larger non-community organisations. As detailed in the previous chapter, the management committee model, with its purportedly democratic connection with the community, was seen by most participants as of the utmost importance. Formalised growth, via amalgamation, was seen and used as a strategy to protect community organisations from being ‘outbid’ by other types of organisations in a competitive tendering environment:

*We form alliances; we can keep the big fellas out (I-Co8).*

Keeping “the big fellas out” was based on a conviction, expressed by a number of participants, that community organisations were more democratic and hence more
‘objective’, while large non-community organisations were seen to be more likely to be influenced by other agendas such as religion or profit:

*I think [community management] is a good democratic way to do things. The people have no financial interest in the organisation. They are doing it solely for love and commitment of this sector. So therefore, I think the pure commitment of it brings a much-needed objective approach to the whole thing* (I-Co1).

As discussed in Chapter 7, whether the community management model is actually more democratic than other models is contestable. Furthermore, community management is not, nor can it be, value neutral. Community organisations exist for all types of reasons which are often based on very strong value positions (McDonald and Marston 2002a).

In addition to being seen as democratic, it was the ‘localness’ of community organisation that was seen by participants as important. To accommodate the perceived need for community organisations to grow, however, the definitions of ‘localness’ had also expanded. More than a few participants stated redefinitions of what they mean by ‘local community’, asserting that community organisations were more likely to be able to maintain a local focus than other types of organisations even if that focus now covered a larger area:

*We function globally but service locally* (I-Co8).

*I think that [community organisations] get a better perspective in terms of the region. Whereas people in the [large charity NGO], they are just big. They sit in a head office somewhere up there and have no connections to a community like this over here* (I-Co4).

(This participant had worked in both community organisations and in a large, religiously affiliated charity).

The propensity for some community organisations to formalise partnerships, including the amalgamation of small organisations into larger ones, to maintain community connections and democratic processes is fraught with contradiction. While, as discussed above, most participants feared ‘takeover’ by larger organisations, at least half the organisations in this study had either already become larger or were seeking to become larger as a strategy to preserve local services and democratic processes based on local connections.
It is important to note that there was some contention in relation to how big community organisations should ideally be. There were a small number of participants who did not engage in reframing ‘localness’ and who saw larger organisations as a threat irrespective of whether they were community managed. This contention was particularly evident in the first focus group, in which participants formed into two distinct factions as proponents for large and small organisations respectively.

Valuing small community organisations just because they are small is, however, also problematic. Upholding small community organisations as the pinnacle can lead to a host of untested assumptions about democratic processes, representativeness and community connections. This study found that small organisations, like any type of organisation, can also be undemocratic, unrepresentative, and; fraught with informal practices that can be both exclusionary and non-transparent. It is the elements of small community organisations that participants, in this study valued that need to be identified and upheld. These included: local connections and knowledge, diversity, flexibility and capacity for individual responsiveness, and; democratic processes.

A consortium of small community organisations called Voice for SONG (Small Community Organisations) (VfS), in which a few of the participants were involved, has gone some way to documenting some of these features (Suhood et al. 2006). The features of small community organisations that VfS highlights include: involvement in social justice, democratic processes, innovation and responsiveness, and; limited bureaucracy (Suhood et al. 2006).

Some of these elements might be able to be achieved in larger organisations. Story #2 (Chapter 6), for example, demonstrates that a larger organisation can achieve these features to a degree. The issue is what is lost and gained in the ‘trade off’ of small and local for the sake of survival.
An Emerging Sector: Recognising some Commonalities

In this study, the recognition and acknowledgement of some the commonalities of community organisations was a strong emerging theme. There was increased recognition, among a number of participants, that there was a community sector and that community organisations needed to be preserved because they could offer communities different services from other types of service providers – that is, private, government, or non-profit organisations that were not community managed.

There is a lot of competition in the sector, which is actually going to destroy the sector. Networking is far better than trying to compete with everybody (I-Co4).

Almost a third of participants reported being involved with collaborative networks of community organisations set up to identify and promote the commonalities of community organisations for the benefit of the organisations and the communities they served:

- We started an interagency [group] up … because we need to work as a community to achieve what we need. Because if all the groups are disparate, arguing and going off looking for different funding then it’s not going to work … We are finding ways to work together to achieve [community needs] (I-Co2).

Voice for SONG (VfS), of which some participants were members, is one example of a consortium. VfS aims to provide a voice and platform for ‘small’, ‘local’ community organisations (Suhood et al. 2006).

Other examples of formal networks reported in this study usually consisted of consortiums of community organisations working in the same service sector or same geographical area:

- We have entered into negotiations [with other small organisations in our sector] on just how we can support each other. We are all in a similar situation. We have each other. We have actually looked at how we can support and liaise with each other to keep each other going (I-Co9).
Consortiums were largely driven by a concern that community organisations were being forced into partnerships that were less than ideal and that the competitive model could destroy collaboration. To combat this, organisations looked for ‘like’ organisations to network with, with some seeing consortiums as advantageous to their organisation and the community ‘sector’:

_I actually put in to do a consortium in [my region]. I think if people did that, it would be really good. Networking is far better than trying to compete with everybody (I-Co4)._  

It is important to note that these coalitions were not coordinated across the sector. The consortiums or action groups that had emerged in this study defined themselves more specifically – either by size, service type or region. In a bid to be inclusive, however, often the boundaries of these consortiums were loose. For example, the VfS criteria of what constitutes ‘small’ or ‘local’ are rather wide-ranging (Suhood et al. 2006). Notwithstanding this inclusiveness, VfS is defined by size, and also appears to be exclusive to welfare, community services and community development type organisations with all of the executive and most of the participants representing these types of organisations. Furthermore, at the time of this study, there was no one consortium or lobby group in NSW that recognised all community organisations as more similar to one another than dissimilar to other types of organisations.

Perhaps the lack of across-the-sector recognition has limited the power of community organisations as a group, particularly small locally-focused community organisations. One participant described the power that non-profit organisations could muster if people involved in them promoted themselves as from a single sector to the community and policy makers:

_People within a football club or sporting club or with other groups or organisations - they are part of one very big industry. If it can be seen as a very large part of the Australian economy and that people can be confident to become involved because they can see a career path there. It would be something we are setting up for our staff, because there is a career path. Maybe starting as a field worker, working through the program, then maybe as a team leader, then ultimately as a CEO. If that is there, then people can actually do that - the opportunities are still here. I think people at the moment are not recognising non-profit organisations as any more than a little organisation down the road that is going to manage a few government dollars (I-MC8)._
Coalitions were complex with many organisations in this study recognising communality and wanting to enhance links with other community organisations but also recognising the need to maintain links with non-community organisations that provided similar services and/or serviced the same client group. Community organisations, by design, are diverse. With this diversity there is disarray and disconnectedness. Voice for SONG (Suhood et al. 2006), for example, found the process of defining a ‘small community organisations’ close to impossible as its members attached different meanings to each of the words - ‘small’ ‘community’ and ‘organisation’ and with some also wanting to include other adjectives like ‘local’ ‘non-profit’ and ‘non-government’, the process of definition became even more contentious (personal communication – the researcher is an Executive member of VfS and was present at these meetings). Not withstanding these difficulties in definition, Voice for SONG does recognise the need for community organisations to find some ‘common ground’ and unite so that they can be recognised and promoted in their entirety. This fits with DiMaggio and Powell’s (1991) hypothesis that organisations are more resistant to outside pressures if they had developed some internal ‘normative processes’.

The need to formalise common processes to build resistance to outside forces was apparent in Story # 1 (Chapter 5), where the participants felt compelled to identify and formalise organisational processes due to a significant increase of private providers in their service provision sector.

Moving toward Solidarity

Although competitive tendering, contracting, and insecure funding have the potential to create mistrust between community organisations, interestingly, in this study, the pressures of competitive funding arrangements also propelled and assisted community organisations to begin to define more clearly who they are. As a survival tactic, some organisations are looking at ways that they can set themselves apart from their competitors and gain support from their counterparts. They are therefore looking for commonalities with other community organisations.
The pressures of competitive funding arrangements have therefore forced community organisations to find some common ground. In doing this, community organisations are also in the process of gaining a clearer understanding of who they are, and what they can offer that sets them apart from other types of organisations. This study found that part of what they are includes being diverse, flexible, and responsive to individual and specialised needs. Although, on the face of it, these attributes appear to preclude the possibility of commonality, community organisations instead could celebrate their diversity as an important feature in their common identity.

Although ‘whole of sector’ recognition was still some way off, community organisations were beginning to realise their collective power. Governments need the non-profit sector to deliver human services. The competition they have constructed is not a real open market; it is a quasi-market with limited organisations from which governments can purchase services (Spall and Zetlin 2004b).

While community organisations do not always have the level of local connection and community representativeness that they claim, one outcome of the changes in discourse is that community organisations are employing new strategies and building new relationships, which may assist them to live up to their claims of local responsiveness and local knowledge by reinforcing their connections with community.

As discussed above, there were strong distinctions made between community organisations and other types of non-government organisations. In this study, one very clear commonality emerged – people who are involved in community organisations see that the strength of community organisations is that they are ‘local’: locally focused, locally connected and locally representative.

For most participants, ‘community’ was important. It was more important to retain a community managed organisation, no matter its size, than lose one or more community organisations to a non-community organisation. Most believed that larger community managed organisations were a better alternative than larger non-community organisations. There were, however, some dissenters to this view who
maintained that the only way to maintain the integrity of community organisations and a local focus was to keep organisations small.

The recognition of strengths and commonalities of community organisations is important. Community organisations, by developing a sense of a ‘whole’; were moving a little closer to a state of ‘institutional isomorphism’ through ‘normative pressures’ (Di Maggio and Powell 1991). As outlined in Chapter 3, Di Maggio and Powell hypothesise that sectors with high levels of normative pressure – such as internal and formal recognition as an entity – are better able to resist external pressure. According to Di Maggio and Powell’s thesis, therefore, a developing sense of commonality should increase community organisations’ future resistance to change from outside forces, such as governments.

**Barriers to Solidarity**

Although one of the emerging themes of this study was the increase in recognition of commonalities and the beginnings of the development of a community sector, a whole of sector recognition and across-the-board formalised processes are problematic. While there have been some moves towards solidarity in the community sector there are some significant barriers to it.

This study found that one barrier to sector solidarity was the lack of time, resources and know-how that could be committed to group capacity due to the effort needed to maintain capacity at the individual organisational level. As detailed in Chapter 6, community organisations were time-poor and resource-poor. Madden and Scaife’s (2005) quote illiterate this dilemma.

> Because of the efforts needed just to keep the lights on in their organisations, less energy and time was available to trial potentially time consuming joint ventures (p.7).

Another barrier to solidarity, which became apparent in this study, was that community organisations vary greatly because of their different historical and political origins. As such, the community sector has had difficulty defining itself. Di Maggio and Powell (1991) suggest that normalisation among organisations can occur...
through links with professional associations. In community organisations, however, the opposite effect is likely. The diversity of services and the diverse range of professional skills required within and across organisations, may mean that individual workers and organisations affiliate more closely with professional associations that share their service type or profession, than with others in community organisations who do not (Lochhead 2001).

Although, in this study, participants described some processes aimed at making their organisations more ‘professionalised’, with most organisations now requiring tertiary qualifications for some staff and some also expecting their management committee members to have certain skills and qualifications, the level and type of ‘professionalisation’ differed from organisation to organisation. As detailed in this and the three proceeding chapters, participant organisations had engaged in a diverse array of responses to the changes of funding and accountability. Most participants also expressed concern that flexibility and individual responsiveness could be lost in the development of a common identity of purpose:

*And there is a lot of talk about capacity building and that whole idea that they have to come together, help each other and form units. And they are not allowed to maintain individuality. For a lot of community organisations, I don’t think the future looks good (FG3).*

While there was an increase in collaboration, much of this was still aligned with types of service provision or geographical area. This diversity of purpose and responses could have some severe consequences in terms of power and sustainability for community organisations. This lack of cohesion in the sector, exacerbated by different interpretations of the new discourse into practice (for example, to professionalise or not), and some unconscious acceptance of the new discourse and associated practices (due to being too involved in the day-to-day to see the ‘big picture’); leaves individual organisations and the sector, as a whole, vulnerable to imposed change.

This study found that another barrier to solidarity – the competitive processes – divided the non-profit sector:

*There is a lot of competition in the sector, which is actually going to destroy the sector (I-Co4).*
Paradoxically, another participant gave an example of where, through prescription, the funding body had discouraged collaboration by disallowing any of the funding for a specific project to be spent on any other project the organisation was involved in:

[The funding body] really wanted the project to be very much focused on their projects and not involved in other projects (I-Co3).

Prescriptive funding and associated resource issues have also made it more difficult for participants, and others in their organisations, to be involved in networking, systemic advocacy and other political action:

There is a huge level of expertise and knowledge contained in non profit organisations who are prepared to go out, put themselves on the line, lobby and advocate and that’s what is good for democracy and that is what is being lost along the way (I-Co9).

There are some inherent contradictions in government policy which has established market systems based on the competitive model, while at the same time espousing the benefits of collaboration. In the spirit of competition providers should use any competitive advantage to their own benefit which has the potential to break down trust and reciprocity amongst them unless it is formally codified and contracted. In a less direct way, competition encourages secrecy, which in the long term, erodes trust amongst organisations. Sugden (1984) contends that competitive market theory “depends critically on the proposition that each individual seeks to maximise his own utility and thus takes advantage of any opportunity to enjoy a ‘free ride’” (p. 71). He observes that this is at odds with the collaborative model of the non-profit sector.

These contradictory government policies have created significant tension for community organisations in trying to survive in an environment where they are expected to compete and collaborate.
Chapter Conclusion

Cooperation, collaboration and partnerships are important features of community discourse. Evidence of existing partnerships, collaboration and sharing were inherent in community organisations. All the organisations in this study had a ‘history of cooperation’. With changes to funding and accountability, however, the nature of the collaboration among non-profit organisations had changed. Community organisations were formalising old partnerships, and creating new ones, in order to attract funding.

Organisations were concerned that they were being, or might be, forced by government to engage in collaboration and partnerships. Many competitive funding programs covered large geographical areas, making them unavailable to small community organisations unless they formed consortiums (or formalised partnerships) with other organisations. Smaller community organisations, in particular, felt some pressure from government to form into partnerships, amalgamate, grow into larger organisations and/or connect with a larger organisation to sub-contract the provision of service.

Whether partnerships were seen as voluntary made a difference to how people involved in community organisations viewed the partnership. Interestingly, while most of the participants expressed fear of being coerced into partnership, most contended that partnerships were formalised due to internal decisions. Although there was only one example in this study of overt coercion, almost all organisations in this study had engaged in or considered a partnership to maintain or gain funding. The external pressure to be seen as a larger, more viable or stronger organisation to attract or maintain funding was therefore often the catalyst for these internal decisions.

In trying to maintain what participants identified as features of community organisations – particularly democratic structures and local focus – many community organisations actively increased and formalised partnerships with organisations of their choosing. Amalgamation of small, locally-focused community organisations
into larger organisations where local focus was particularly valued, appeared contradictory. While formalised partnerships could counteract ‘forced’ amalgamation and loss of funding or closure, the result of formal amalgamation was larger organisations with a possible ‘trade-off’ in loss of local focus.

This study found that formalising partnerships can create mistrust between community organisations where there was once trust. The community discourse allows considerable collaboration of an informal nature where implicit trust was high. Conversely, managerialist discourse and the associated genre such as formalised signed agreements, imply that implicit trust cannot be relied on but instead must be formalised through documentation. What is of major interest in this study, was that in the application of the new genre – that is, signing agreements – the discourse of the partners changed. This represented a major shift in discourse and practice from trust to mistrust.

This study also found that organisations engaged in major shifts in their own discourse and practice when working with others that used the managerialist discourse. Participants changed their discourse from ‘sharing’ resources to ‘selling’ products when working with private providers and others spoke of ‘economies of scale’ when referring to amalgamations and partnership that were specifically formed to tender for competitive funds.

Another significant finding of this study was the emerging use and effects of sub-contracting. Sub-contracting arrangements, entered into to maintain local and specialised service provision, were usually of significant disadvantage to the sub-contracted community organisation. Sub-contracting brought into play a new level of power relations with the sub-contractual arrangements usually less transparent and less open to public scrutiny than contractual arrangements with government agencies. That community organisations would enter into agreements that may be of disadvantage to them provides an example of the embeddedness of the community discourse. This discourse assumes that community organisations are best placed to provide quality and specialised services and that clients or communities will not be provided the same level of service elsewhere.
For one organisation in this study, and for many in different parts of the sector (McGlashan 2007), however, there was no choice but to sub-contract service provision if organisations want to access government funds. Sub-contracting is increasingly being seen by governments as a more efficient way of managing the many and disparate smaller organisations, and as such, it is likely to significantly increase in the future (McGlashan 2007).

There was significant concern that changes to government funding and associated contracting and tendering privileged larger, usually religiously based or philanthropic organisations to the detriment of small community organisations. This created mistrust between organisations - particularly by small community organisations towards larger non-profit organisations – which were largely described by participants as the ‘enemy’.

‘Forced’ partnerships driven by funding were seen not to be in the best interests of the organisation, the community, or the sector. The overwhelming response regarding partnerships, amalgamation, and networks was to adopt strategies to ensure that partnerships were the choice of community organisations themselves. In a counter-reaction to forced partnerships, community organisations were setting up more formal partnerships, lobby groups and consortiums. These were designed to protect community organisations from being out-bid by other organisations and to increase the strength and recognition of community organisations and what they offer the community.

Clear distinctions were made between community managed organisations and other types of non-profits. ‘Community’ was seen as important. Most participants contended that it was more important to retain a community managed organisation, no matter its size, than lose one or more community organisations to a non-community organisation. Most contended that community organisations were more democratic and more locally responsive than larger non-community organisations which were seen to be more likely to be influenced by other agendas such as religion or profit. Most linked increased size with capacity and sustainability, and were concerned about the apparent disadvantages to small organisations. A few participants argued that amalgamation of small community organisations to build
larger community organisations would ensure the endurance of the community model. Participants were concerned that ‘takeovers’ by larger organisations would result in a loss of local connections and local knowledge. They argued that larger, but still community-affiliated organisations would be more competitive against larger non-community organisations. Formalised growth, via amalgamation, was therefore seen and used as a strategy to protect community organisations from being ‘outbid’ by other types of organisations in a competitive tendering environment. It is important to note, however, that there was some contention about how big community organisations should be, with a few organisations insisting that community organisations should be small and very local.

The recognition and acknowledgement of some of the commonalities of community organisations was a strong emerging theme. While competitive tendering, contracting, and insecure funding have the potential to create mistrust between community organisations, interestingly, in this study, the pressures of competitive funding arrangements had also propelled and assisted community organisations to begin to define more clearly who they were.

Consortiums were largely driven by a concern that community organisations were being forced into partnerships that were less than ideal, and that the competitive model could destroy collaboration. The pressures of competitive funding arrangements have forced community organisations to find some common ground. In doing this, community organisations are also in the process of gaining a clearer understanding of who they are, and what they can offer that sets them apart from other types of organisations. According to Di Maggio and Powell’s (1991) thesis, a developing sense of commonality should increase community organisations’ future resistance to change from outside forces, such as governments.

There were concerns, however, that flexibility and individual responsiveness could be lost in the development of a common identity of purpose. Community organisations by design are diverse. With this diversity there is disarray and disconnectedness. While there was an increase in collaboration, much of this was still aligned with types of service provision or geographical area. Many organisations in this study, however, recognised commonality and wanted to enhance
links with other community organisations, but also recognised the need to maintain flexibility and the distinctiveness of individual organisations.
Chapter 9 – Discussion and Conclusion: Can community organisations engage in the new discourse and practices without ‘selling out’

Chapter Introduction

Community organisations are situated in a context of significant discursive change. In this study two competing and potentially contradictory discourses that were observed to inform and give meaning to the social practices of community management:

- The discourse of *community*, which emphasises participatory practices and volunteerism and often has an element of ‘anti-establishment’ sentiment, and;
- The discourse of *managerialism* which emphasises efficiency and is heavily influenced by neo-liberalist ideals concerning competition and the efficiency of markets.

The contest of these discourses and the consequent changes in practice presented a number of tensions in and among community organisations. These tensions, which were detailed in the previous four chapters, are summarised as:

- Increased managerialism and the impact on ‘traditional’ beliefs – or the ‘institutional myths’ – of community discourse and practice;
- Increased reliance by government on community organisations and the effects on organisational capacity;
- A shift of emphasis in accountabilities coupled with increased ‘professionalisation’ and the impact on ‘community representation’, and;
- Need or desire for alliances between community organisations and the impact of this on diversity and individual responsiveness.

It is important to note that despite the tensions and apparent contradictions of discourses, that there was also evidence of the co-existence of the discourses of ‘managerialism’ and ‘community’ in discourse and practice within community organisations. It is how contradictions were resolved to allow for co-existence which
is of particular interest. This chapter reviews the data and conclusions of the previous four chapters to provide an analysis of what was happening within this shifting discursive environment in a more general sense, drawing on the methodological framework and the theoretical positions of Foucault and neo-institutional theorists, which inform this research.

This study found that community organisations were experiencing significant stress – particularly in terms of funding and resources. A simple cause-and-effect analysis might conclude that the new discourse and associated practices have put a great deal of pressure on organisational resources – certainly the researcher was told this by the participants on numerous occasions. Using the methodological framework informing this thesis, however, this explanation is too simplistic in the context of contesting discourses. With the dominant use of the managerialist model in the context of the quasi-market, there was much expressed frustration and reports of significant resource stress for community organisations. What was particularly evident was the decreased effectiveness in the context of the quasi-market of some of the ‘paucity strategies’ organisations adopted, including the use of volunteers. Much of this tension was due to attempts to merge the discourse – that is, translate managerialist discourse using community management principles.

A key finding of this study was that participants were using unmodified community discourse in an attempt to make sense of new managerialist discourse. It is a major contention of this thesis that using one discourse to interpret and make sense of another was increasing frustration and decreasing effectiveness in community organisations. The translation of one discourse through the use of another resulted in unstable, tenuous situations which have left some organisations rather unsure of their position. Some organisations had tried to mediate this pressure by re-examining their organisational goals and practices with mixed success.

All organisations in this study had adopted some managerialist discourse, with most participants reporting substantial gains to their organisation from doing so. The four tensions listed above and discussed in detail in Chapters 5 to 8, arose as a consequence of the contest of the discourses.
This study found that three major features in this contest were apparent:

1) ‘Community discourse’ – based on a range of community values – was the preferred discourse to describe values;

2) Managerialist discourse had emerged as the dominant discourse to describe and inform process and structure in community organisations – often to the benefit of the organisation, and;

3) Community organisations experienced significant tension in negotiating 1) and 2).

This chapter examines this contest of discourse and its effects and considers the extent to which community organisations can engage in the new discourse and practices without ‘selling out’.

**Dependence on Government and Coercive Pressures**

With increasing government control, prescription and the devolution of welfare service provision from government to non-profit organisations, there had been some concern voiced that high reliance on government funding might result in community organisations becoming mini-bureaucracies, a ‘third arm’ of government, doing little more than the government’s bidding (Our Community 2003; Maddison et al. 2004; Manning 2004; Staples 2006).

This study found that community organisations are at a site of discursive change where their dependence on government had become more salient with the formalisation of funding arrangements and procedures. Neo-institutional theorists Di Maggio and Powell’s (1991) ‘coercive isomorphism hypothesis’ suggests that community organisations could become more like government agencies, as a reliance on government funding provides the potential of significant coercive pressure. Managerialist discourse and the regulations of the quasi-market are changing discourse and practice within community organisations (Chapter 5). According to
neo-institutional theory, if these changes are coerced or accepted without question then community organisations could become re-institutionalised (Jepperson 1991). If the engagement with managerialist discourse is such that traditional community values are lost, community organisations could very well become mini-bureaucracies or the ‘third arm’ of government. While community discourse was strong within individual community organisations, ‘normalisation’ in terms of the development of a community sector was weak. Normative practices provide a basis from which organisations operate and situate themselves in a group of like organisations (Di Maggio and Powell 1991; Jepperson 1991; Grant et al. 1998; McDonald and Marston 2002a). Although normative practices can assist organisations to resist outside forces, according to Di Maggio and Powell’s hypothesis, if the sector does not have sufficient normalisation processes it could become more institutionalised due to ‘coercive pressures’ imposed by government funding agencies.

Neo-institutional theory holds that high levels of institutionalisation are required if organisations are to be less susceptible to outside influences (Di Maggio and Powell 1991; Jepperson 1991). According to Di Maggio and Powell’s hypothesis; the higher the level of isomorphism the more resistant organisations are to change. If the isomorphic pressures are ‘coercive’, however, the institutionalisation that is occurring in organisations could be making them more similar to the entity on which they depend for resources. In the case of community organisations, their high level of dependence on government agencies increases their vulnerability to coercive pressure. In the context of resource pressures (Chapter 7), for example, in the quasi-market, where organisations have little choice of purchaser, the choices of community organisations are somewhat limited.

This study found that community organisations have limited normative practices due to their diverse nature. In addition, some normative practices such as membership of associations tended to cut across community organisations dividing them further (Chapter 8). While not always seen as such, many new practices had elements of coercion with most organisations changing practices in order to maintain or gain funding (Chapter 5). For the most part, participants attempted to explain organisational changes by relating the changes in practice to their organisational goals. In some cases, however, these organisational goals had also been altered
significantly to fit with new practices. Stories #1 (Chapter 5) and #2 (Chapter 6) provide examples of this. There was evidence in this study of (mostly covert) coercion which had resulted in some taken-for-granted practices informed by managerialist discourse becoming embedded within organisational discourses and practices.

As tension increases community discourses could continue to replaced with managerialist ones, until the community discourse – and therefore, the understandings that constitute what community organisations are, their value systems and how they differ from other types of organisations – could be lost.

The Contest of Discourses

The non-profit community sector operates within an extremely turbulent, unstable and highly contested contemporary environment (McDonald and Marston 2002a p.3).

It is the contention of this thesis that the manner in which changes at the government level have been translated into discourse and practices at the organisational level, are the main source of tension in community organisations. According to discourse analyst Woodilla (1998) conflict arises when an ‘outsider’ interprets the word of one discourse in the context of the discourse(s) to which they belong (Woodilla 1998).

In this study, there was tension arising from attempts to maintain the value positions of the previous funding model within the new ‘purchasing’ model. Frustration was expressed about the managerialist discourse in terms of procedural changes – that is more paperwork and legislative changes viewed as contradictory and excessive. It was reported that these changes were putting pressure on already scarce resources and making it more difficult to engage in strategies that had previously allowed community organisations to mobilise significant resources (Chapter 6).

In traditional community discourse volunteerism and resourcefulness – often measures of ‘paucity strategy’ – were highly valued. In the quasi-market context, however, volunteers were difficult to recruit and manage. These difficulties arose
due to tensions between these concepts and the managerialist emphasis on efficiency and professionalism (Chapters 6 and 7). Supporting volunteerism and other ‘paucity strategies’ in the managerialist discourse was more difficult to effect due to the managerialist discourse being perpetuated and supported through an array of genres of a complexity that made volunteerism and other paucity measures difficult to sustain (Chapters 5 and 6).

Using traditional community discourses, participants maintained an expectation to be ‘funded’ for services of their choosing at a rate of their choosing, despite the newly dominant discursive framework that emphasised ‘purchasing’ in a quasi-market environment. In the ‘purchasing’ discursive framework individual community organisations often did not have the competitive advantage to dictate either what services the government should purchase or the rate that governments should pay for these services.

What the participants wanted therefore was outside the ‘conditions of possibility’ within the ‘rules of formation’ of the dominant discursive framework. Using the methodological framework of this research, “the rules for the formation … determine which possibilities are realized” (Fairclough 1992 p. 48). The dominant discourse used by governments in relation to funding community organisations is managerialist discourse which constructs the quasi-market. Those using this discourse do not formally allow or recognise the discourses of community when they are presented in a form other than managerialist discourse. ‘Formal’ is specified here as this study found that individual people working for government agencies did recognise community discourse informally, as evidenced by the supportive relationships staff had with frontline staff. With the increased formulation of processes and relationships, however, individual and informal influence is increasingly limited so that the dominance of managerialist discourse is likely to increase within these government agencies.

Attempting to interpret or make sense of changes embedded in a new discourse through the lens of another discourse may have increased the level of frustration and decreased the effectiveness of any arguments for change targeted at those who did not understand or adhere to community discourse.
The economist Sugden (1984) refers to this lack of understanding of non-profit discourse by those who adhere to managerialist discourse: “the truth is that economists do not understand how the voluntary sector works; we have been brought up on a theory that tells us it cannot work” (p. 88). The quasi-market constructed and supported by managerialist discourse (Le Grand and Robinson 1984; Greenway 1991; Le Grand 1991; Le Grand and Bartlett 1993), therefore, in order for those supporting community organisations and community values to be heard and understood, they need to be able to communicate these values in a managerialist discursive framework.

Managerial Discourse to Describe and Inform Procedures

Managerialist Discourse: Forced Engagement

Managerialist discourse was the dominant discourse in the relationship between community organisations and government funding agencies. Community organisations are situated in a quasi-market where they have few choices of purchaser other than governments (Le Grand 1991). They are therefore required to engage in the discourse of this marketplace if they are to maintain or gain resources. Community organisations’ reliance on government funding resulted in significant coercive pressure to at least be seen to do as the government requires. In this study, there was a strong recognition among participants that to get funding, workers in community organisations needed to be able to engage with the discourse of the government funding bodies. The challenge is how to do this whilst maintaining the unique features of community management that they strongly claim to value.

Managerialist discourse is supported by specific ‘genre’ such as purchasing contracts, tendering forms and service specification reports which community organisations are required to engage with in order to receive and maintain funding. (Nowland-Foreman 1998; Ramia and Carney 2000; DoCS 2001; Barraket 2006; Productivity Commission 2006; DoCS 2008). In this study, new accountability expectations have routinised new managerialist practices in community organisations.
with examples of organisations having made significant changes in practice, structure and personnel in keeping with managerialist discourse (Chapter 5).

The discourse that surrounds the new government policy and practice, such as purchasing contracts, competitive tenders, and outcome reporting, could be seen as types of ‘ideological productions’ (Foucault 1981) which can assist in embedding the discourse (Foucault 1981; Jepperson 1991; Fairclough 1992; Grant et al. 1998). Jepperson (1991), for example, contends that institutions can experience internal change through ‘procedural rationality’ – a process of driving institutionalised change by routinising it. As these discourses are being adopted into practice in a ‘taken-for-granted’ way then these practices will develop into what Di Maggio and Powell (1991) refer to as ‘normative processes’ within community organisations.

This significant routinising of managerialist discourse through procedural genre occurring in community organisations, therefore, has increased the possibility of managerialist discourse assumptions and practices being embedded in community organisations.

**The Use of Managerialist Discourse Without Full Awareness**

As noted above, all participants had adopted some managerialist discourse and practice. While the use of these discourse in organisations coincided with changes in government policy and discourse, interestingly, most participants described the changes as internally driven. They also, however, provided examples of external pressure – to be seen as more professional and more viable – which, they reported, was often driven by the need to attract or maintain funding (Chapter 5).

This is of interest because, according to Foucault (1976b), and neo-institutional theorists (Jepperson 1991; Zucker 1991; Wallemacqu and Sims 1998), unnoticed or invisible discourses are more likely to be taken-for-granted and embedded into practice than if they are consciously recognised and understood as a change in discourse. Making the invisible visible is also an important premise of CDA.
One salient example in this study where managerialist discourse was used and practiced, was in the recruitment of new personnel with skills and experience that would allow them to engage in the managerialist discourse (Chapters 5 and 6). This represented an interesting outcome of tension between community discourse and managerialist discourse and practices. Recruitment informed by traditional community discourse was underpinned by values such as altruism, volunteering and representation (Chapter 5). These values appear to be at odds with managerialist discourse which emphasises skills and experience in business (Jones and May 1999). Most organisations had increased the emphasis on business skills and experience in accordance with managerialist discourse when recruiting new personnel – both paid staff and volunteer management committee members (Chapters 5 and 6). This was despite almost all the participants citing altruistic motivators for their own involvement in their organisations (Chapter 7).

The dominance of managerialist discourse in informing personnel choice was particularly salient in the way that most participants referred to the community representatives who might not have been strong in business-type skills. Past members and members who had been on management committees for a long time were often denigrated as ineffective or even incompetent by the participants in this study (Chapters 6 and 8). This disjuncture between championing community representation and denigrating community representatives exemplifies the tension between the discourses of community (with its emphasis on connection with the community through the management committee model) and the discourses of managerialism (which expect a higher level of skill and experience in business practices). The denigration of members who did not have the skills to work effectively within managerialist model demonstrates how far managerialist discourse had been integrated into the practice of these organisations. This integration of managerialist discourse into community management practices has challenged previously held assumptions of recruiting management committee members for their ability to represent their community, and has led some organisations to seek
representation through other methods that may be more appropriate and effective in the quasi-market context (Chapter 7).

With the adoption of managerialist discourse, some questionable and unhelpful practices – which would appear to be at odds with ‘community values’ – have emerged or become increasingly embedded in community organisations in the context of the quasi-market. The most salient example in this study, was evidence of significant exploitation occurring within and at the hand of community organisations.

In the competitive model, the dependent relationship community organisations have with government constructs an uneven distribution of power with community organisations generally having less choice of ‘purchaser’ than governments have of ‘vendor’. Some evidence of exploitation at the government level was therefore expected and found in this study, with many examples of governments exploiting community organisations’ ability to mobilise significant local resources with little funding (Chapter 6).

In the context of competitive tendering, participants described incidents of significant exploitation of their organisation such as accepting funding that did not cover the whole cost of the project (Chapter 6) and the subcontracting of services that could put them into a more precarious position than contractual arrangements with governments (Chapter 8). This exploitation of organisations was achieved by further exploitation of those within organisations.

In order to achieve ‘more with less’, usually through a range of ‘paucity strategies’ (Chapter 6), community organisations in this study were engaged in significant exploitation of their own. Participants cited examples of their organisations exploiting their staff (through low wages and conditions and an expectation that they would work more hours than they were paid for), and their volunteers (with an increasing reliance on volunteers to complete more complex tasks and through the use of ‘non-voluntary’ volunteers) (Chapter 6). These exploitations of staff and volunteers appear to contradict traditional community values. While this contradiction has long been observed in community organisations (Bryson and Mowbray 1981; Cunningham 2008) this study found that the increased resource
pressures from the devolution of direct government service provision, coupled with
the difficulties organisations had mobilising resources in old ways in the new
discursive environment had increased exploitation within and of organisations
(Chapter 6).

Exploitation of staff (including self-exploitation), volunteers and the organisation
was justified by participants by what was perceived as the higher need of their clients
and communities. There was a strong belief that community organisations were
often the last option for clients and potential clients. Turning people away without
service, therefore meant – according to participants’ understandings – that these
people ‘in need’ would receive no service, or a highly inferior service to that which
their organisation could provide (Chapter 6). Martin (1985) contends that “in the
social service organisation concern for fairness often takes precedence over
efficiency” (p. 132). While, in this study, many emphasised that they would do
whatever needed to be done to serve their clients, there was evidence that the paucity
measures adopted by community organisations often resulted in a less than
satisfactory result for clients. Clients continued to present at organisations where
there were inappropriate or inadequate services or facilities to cater for their needs
and/or numbers (Chapter 6).

A perception that government funding agencies expected community organisations to
do more with less, and the propensity of governments to exploit the ability of
community organisations to provide more with less, does not mean that community
organisations actually need to do more with less at the expense of an organisation’s
long-term capacity, their staff, volunteers, clients, or community. Community
organisations can only be exploited for their capacity to do more with less if
community organisations allow this exploitation to occur.

While the difficulties in doing this, due to the inequitable power relations with the
dependency that community organisations have on government are acknowledged,
power never flows in one direction only (Foucault 1977c). In the quasi-market the
devolution policies of ‘steering and not rowing’ (Barlow and Röber 1996), mean that
community organisations have the potential to mobilise significant power as
‘rowers’. There were a number of examples in this study where organisations had
 refused or returned funds, when the funding was seen as inadequate to perform the service without resorting to paucity measures or exploitation. Story #2 (Chapter 6) provides an example of an organisation that used managerialist discourse to communicate and further community values to their advantage. Conversely, Story #3 (Chapter 7) provides an example of an organisation with such local political strength, built through long-term relationships, that it did not need to engage in the managerialist discourse in any major way, yet continued to receive support from governments.

‘Community Discourse’ and Internal Normalisation

Managerialist discourse did not enter a barren discursive field, however. There is a strong community discourse already embedded in community organisations. While community discourse is as diverse as the organisations it informs and supports, there are some shared values and assumptions inherent within most versions (McDonald and Marston 2002b; Onyx et al. 2002; Warburton and McDonald 2002; Considine 2003; Brown and Keast 2005). Macdonald and Marston, for example, assert that community organisations have an organisational field: “a community of organisations that participate in and uphold a ‘common meaning system’” (McDonald and Marston 2002a p. 4).

The nonprofit community sector is considered to be highly institutionalised (McDonald 1997; Tucker, Singh and Meinhard 1990; Powell 1988; DiMaggio 1987) and to exhibit a particular mode of organisation. This is reflected within a framework of the 'rules of the game' which is widely believed to be an idiosyncratic sectorial characteristic (McDonald and Marston 2002a p. 4).

While there were many accounts of pressure from government, which led to some changes in community organisations, participants described how they have been able to reconcile government requirements - at least tentatively – with that what they think is required of them in terms of ‘doing their job’. There was clearly a great deal of resistance in the community sector to imposed changes where it was perceived that the changes might threaten the participant’s sense of what their community organisation was and what it should do.
In this study, community discourse was used by participants to describe and uphold rationale for value positions. There was evidence of widely accepted ‘myths’ about community management including community organisations being more democratic in structure, more caring, more collaborative, more representative of community needs, better placed to provide quality localised services, and consisting of people motivated by altruism than other types of organisations.

One way in which community values have been formed and maintained is through what Di Maggio and Powell (1991) refer to as mimetic processes. In this study, there was evidence of a long history of collaboration and sharing that resulted in organisations emulating processes. According to Di Maggio and Powell’s (1991) hypothesis, mimetic processes, by their very nature of replication should make organisations that engage in them more ‘isomorphic’ – or similar to each other. While Di Maggio and Powell (1991) assert that mimetic processes occur due to uncertainty, this study found that they were instead an element of a pragmatic approach adopted in community organisations to curb expenses (Chapter 6) as well as being ideologically driven by strong values of collaboration (Chapter 8). Replications of successful processes were seen as practical, even ‘commonsense’ approaches – where one organisation could help out another without there being a significant drain on the resources of either.

One type of mimetic processes reported in this study was the reciprocity of committee members where staff from one organisation sat on the management committee of another (Chapter 7). This is a feature of non-profit organisations that Di Maggio and Powell (1991) also referred to, noting that non-profit organisations have fewer legal barriers to collusion than for-profit organisations. According to Di Maggio and Powell’s hypothesis (1991) and neo-institutional theory (Jepperson 1991; Zucker 1991; Grant et al. 1998) more broadly, mimetic processes can assist to ‘normalise’ organisations and this ‘normalisation’ can build up a culture of resistance to external change that leads to ‘institutionalisation’. Reciprocity therefore could help organisations collectively build up resistance to externally initiated change.

This study found, however, that reciprocity can limit community representativeness and create pockets of exclusivity – limiting client services (Chapter 7). Furthermore,
this study found that reciprocity had increased as a strategy in some organisations, specifically to address the increased complexity of tasks in the context of the quasi-market, with a consequence being some loss of local representation on management committees (Chapter 7). In addition, this study found that, in the context of increased competition, sharing and collaboration were being commodified and formalised in many organisations (Chapter 5 and Chapter 8). As illustrated in Story #1 (Chapter 5) commodification of services can limit mimetic processes – that is, what was once ‘shared’ is now sold. Furthermore, formalisation of collaboration, including partnerships entered into chiefly to gain or maintain funding may be more closely aligned with what Di Maggio and Powell (1991) refer to as ‘coercive processes’ than mimetic processes. Di Maggio and Powell (1991) hypothesise that if processes are coerced the organisations being coerced could become more like the organisation doing the coercing than like other community organisations.

The Invisible Becoming Visible

Those working in and managing community organisations were not entirely unconscious of the change in the discourse and the possibilities of coercion. This study found that while there were strong coercive pressures, in the form of government funding expectations, there was some awareness of this and in some instances people working in and managing community organisations have been able to consciously interpret the discourse and reframe practices to suit the purposes of their organisation at least in the short-term (Chapter 6).

In this study, participants reported numerous examples of apparent contradictions in government policy and ‘double-standards’ in government practice. Oswick et al. (1997) refer to the “potential disjuncture between …espoused ‘rhetoric’ and ‘reality’” (p. 9) which they contend could make the objective of promoting ‘cultural change’ primarily through “the mobilisation of discursive resources” (p. 9) problematic. Interestingly, apparent contradictions in government rhetoric and practice assisted in alerting participants to some of the effects of the discourse. In this study, in trying to make sense of the contradictions, there were examples of what Wallemacqu and Sims (1998) refer to as ‘stories of lunacy, directed at the behaviour and practices of
government departments. Participants’ laughter, sometimes bordering on hysteria, often accompanied a story that might have had serious implications for them, their organisation, the sector, their clients and/or the community. Wallemacqu and Sims (1998) observe that people within organisations talk and joke about things that seem not to make sense. It is this inability to make sense, evidenced by these stories of lunacy that had helped participants to recognise some of the irreconcilable contradictions in government policy and practice including observations of inequitable practices and ‘double standards’ (Chapter 7).

Drawing on the methodological framework, these contradictions have helped make the discursive changes more visible. Fairclough (1995 p. 36) contends that tension in discourses can create an environment of ‘intertextuality’ which bring the effects of a dominant discourse to light. In this study, in trying to make sense of ‘non-sense’, some of the incongruities in both traditional community discourse and managerialist discourse became more visible to participants.

The apparent contradictions in government policy and practice (Chapter 6) also had an effect on how community organisations understood and practiced the changes. For a small number of organisations, the feeling of being targeted or unfairly challenged had spawned a type of ‘oppositional compliance’ – where compliance was of a satisfactory or minimum standard that did not encompass the general essence or intention of the accountability measures or new legislation. The reactions to contradictory, or ‘over-the-top’ legislative changes, especially OH&S legislation – with compliance sometimes very difficult or even impossible (Chapter 7).

Such oppositional compliance would be an adverse and unintended outcome from a policy position and also could have significant implications for these organisations if their opposition precludes them from recognising and engaging in any elements of the changes in accountability and legislative requirements that may be of assistance or advantage to the organisation.

There was also a sense in participants’ descriptions and tone, when discussing compliance to new government requirements that that they were engaging in a form of ‘lip service’, or a ‘farce’ to maintain or gain funding rather than adopting and
accepting a new form of discourse (Chapter 6). This was articulated in other words such as ‘bend’ (Chapter 6). As stated above, however, there was recognition that individual organisations can only do this to a limited extent and also a concern that things may become more prescribed and hence more difficult to reframe or ‘bend’.

The Positive Effects of Tension

Drawing on the methodological framework and the theoretical foundations that inform this research a major conclusion of this thesis is that the tension that arose from the shifting discursive environment had positive effects. Through the tension, discourses – both community and managerialist – and their effects on practice and power relations were revealed and questioned. The worst peril is when there is no tension – when discourse is taken-for-granted and institutionalised (Jepperson 1991; Zucker 1991; Grant et al. 1998). The data showed, for example, that previously unquestioned community discourses had led to some rather poor and unethical practice that had contributed to the impoverishment of organisations (Chapter 6) and cast doubt on their claims of representativeness (Chapter 7). As a result of the discursive tension many of these inconsistencies have been recognised and measures have been taken to address them (Chapters 5, 6, 7 and 8).

Despite significant levels of frustration, participants described positive engagement with managerialist discourse where the change to managerialist procedures had resulted in significant benefits to their organisation. The significant organisational changes in practice, structure and personnel that were initiated, at least in part, by the changes in their relationship with government, were mostly reported as having a positive effect (Chapter 5).

Many of the changes reported as beneficial were related to the formalisation of procedures and relationships. At the same time, this study found that some managerialist practices, particularly the formalisation of processes and relationships, had increased the ability of management committee members to engage in management decision making and consequently, to more effectively represent their community (Chapters 5 and 7). A number of questionable or unhelpful practices in
community organisations have been exposed through tensions in the contest of discourse coupled with the formalisation of processes in the managerialist discourse.

Some changes had the effect of ‘empowering’ management committee members. This was due to the highly prescriptive processes often making organisational practices more transparent and more formal. Nonetheless, the more informal practices supported by the community discursive model could exclude management committee members by default (Chapters 5 and 7). The tensions emerging from the contest of discourses had therefore made some unhelpful practices previously constructed and supported by community discourse allowing these assumptions and practices to be questioned and changed.

Like most of the changes emerging from the tensions of discourses, however, there were complex effects. With the formalisation of processes decreasing access to frontline staff, a few participants in this study believed that these changes were part of a deliberate power shift to remove this bastion of support away from community organisations (Chapter 8). Concern was expressed that one of the objectives of the changes in accountability had been to breakdown some of the informal or unofficial characteristics of the previous system and that this would disadvantage community organisations as these informal relationships and procedures had assisted organisations to mobilise local resources. Good supportive working relationships with the frontline staff of government agencies, for example, had allowed staff to negotiate more flexible funding conditions at an informal level (Chapter 7).

Significant tension would not tolerated long-term, however. Order will be sought (Di Maggio and Powell 1991; Jepperson 1991; McDonald and Marston 2002a). The data clearly showed that, for long term sustainability of community organisations, community discourse in its entirely can not be simply superimposed onto the managerialist discourse or vice versa. In this study it was clear that interpreting managerialist discourse and practice through a community lens had led to significant frustration and may be keeping some community organisations poorer and less powerful then they could potentially be.
Conversely, community discourse and the associated values and practices of community organisations were highly valued by participants. It is the ‘specialness’ or difference that community organisations offer, particularly in terms of local connections, that the participants valued (Chapter 6). If organisations adopt the managerialist discourse in its entirety, in order to ease tension, the ‘specialness’ of community organisations would be lost. This was played out in this study in examples of two relatively large organisations featured in Story #1 (Chapter 5) and Story #2 (Chapter 6). While engaging in managerialist discourses has promoted growth and sustainability in these organisations, there were still significant challenges in relation to how to promote and maintain growth within a managerialist framework without losing site of the values of the organisation.

Institutionalisation and Community Management

Developing Common Understandings:

This study found that one of the reasons for significant tension with the introduction of the new discourse was that the normative processes among community organisations were limited by its diversity. The community ‘sector’ – which is a discursive construction – does not exist in a uniform or formal way. Diversity and individual responsiveness to local conditions were, however, important values for the participants in this study. It is contended therefore that a low level of institutionalisation is important to the sector. In this study, despite evidence of mimetic processes, there was a great deal of variance in the way community organisations operated even within this small sample. It was found that flexibility, ingenuity and individual choice were traits that people in community organisations valued (Chapter 8) – with much of the expressed frustration being related to the high level of prescriptive funding limiting local choice and discounting local knowledge (Chapter 6).

These values have led to a diverse community sector (Chapter 8). Although Di Maggio and Powell’s (1991) hypothesis would suggest that, in order to maintain the ‘traditional’ values and avoid morphing into ‘mini bureaucracies’ community
organisations should engage in a concerted internal campaign to achieve a strong level of isomorphism from within, the achievement of this could potentially undermine some of those same values as high levels of institutionalisation can lessen flexibility and ingenuity. High levels of isomorphism or institutionalisation would curtail the features of community organisations that participants in this study identified as important, since high levels of institutionalisation limit individual choice and influence.

Zucker (1991), for example, contends that as institutionalisation increased, the generational uniformity of cultural understandings also increased and that the greater the degree of institutionalisation, the greater the resistance to change in cultural understandings through personal influence.

As flexibility and personal influence are highly valued in community organisations, a lower level of institutionalisation has therefore has been important to the sector. Many staff working in community organisations refer to the freedom and independence to work the way they want, on the things they want to work on, as one of the things that they enjoy about their job.

There was a feeling among participants in this study for example, that individual personalities are crucial to their organisation’s success (or otherwise) and that major changes in organisations are often the result of one or two people. When participants were asked “What works for your organisation?” almost all respondents emphasised a particular person or persons within the organisation.

While a reliance (at least conceptually) on one or two people for the success or otherwise of an organisation could have some dire implications in terms of organisational resilience, it demonstrates the emphasis and value people working in and managing community organisations put on ‘human influence’ or ‘human contribution’ rather than organisational culture and structure. Implicit in this is a strong sense of the value of human diversity and the need to allow individuals flexibility and a high level of autonomy to do their job ‘their’ way. A highly prescriptive, highly institutionalised organisational model would be at odds with these values.
Furthermore, institutionalisation has a tendency to foster bureaucratic practices. Weber (as cited in Di Maggio and Powell 1991) contends that with institutionalisation organisations can lose sight of their goals and become little more that the rationaliser for the bureaucracy they become. Institutionalisation at a higher level would not be desirable therefore for community organisations that value flexibility and choice, as there is a significant risk of loss to community organisations if they become so isomorphic in a quest to guard against external pressure that they lose their diversity.

Although, the recognition of community organisations as a whole sector was not formalised, there was a universal appreciation that community organisations offered qualities different from other types of organisations and were best placed to provide services for the community. The use of ‘local’ in this study provides a good example. ‘Local’ was cited as the most significant commonality across all organisations. As further evidence of reframing to ease tensions between the discourses, however; definitions of ‘local’ had been widened to include larger geographical regions to accommodate new competitive tendering programs that were directed at a wider regional level (Chapter 8).

Low levels of internal institutionalisation, however, make community organisations more susceptible to outside influences. If the sector becomes more institutionalised due to ‘coercive pressures’, then the community sector could be become little more than an inflexible government-like bureaucracy.

This study found that while there were strong coercive pressures, many in the community sector were aware of these and in many instances they had been able to interpret the discourse and reframe practices to suit the purposes of their organisation. The lack of cohesion in the sector, however, exacerbated by different interpretations of the new discourse into practice and some unconscious acceptance of the new discourse and associated practices, leaves individual organisations and the sector, as a whole, vulnerable to imposed change. Furthermore, most participants were also unsure how much more reframing could occur in the face of increasing coercive pressure.
An Iron Cage or a Cardboard Box?

Weber (as cited in Di Maggio and Powell 1991) believed that the control of men in ‘bureaucratization’ is so effective that they can become ‘imprisoned’ in what he referred to as an ‘Iron Cage’. Weber believed that once established, the momentum of bureaucratization was irreversible.

Community organisations are presented with a dilemma. High institutionalisation could put them in Weber’s ‘iron cage’ whereas low institutionalisation might give them no more protection than a cardboard box.

While an iron cage may be strong and secure, there is very little flexibility, and little chance of escape. A cardboard box is more flexible with greater possibility of escape. The cardboard box is also temporary – more capable of change but also more susceptible to damage.

As flexibility and autonomy were highly valued, it could be concluded that; on the whole, workers in community organisations would prefer the flexibility of the box – with many preferring not to be ‘boxed’ at all. The risk for community organisations and the community sector, however, is that in the limited protection of the box, they may end up in an iron cage of a shape that they can not live with. Instead many community organisations are opting to move out of the box and into what looks like a cage from the outside. The inside of this cage is box-like, however, allowing some reframing of practice. Again, however, with increased pressure, there is a risk that the outside of the cage could become so rigid that movement from inside may become problematic. To prevent this, the community sector needs to work on shaping and strengthening the box that currently defines the sector (however loosely) from the inside out.

In order to shape and strengthen the box to maintain the features of community organisations that participants valued, recognising commonalities and making distinctions of difference between community organisations and other types of organisations and governments is of paramount importance. As such, this thesis
contents that any definition of ‘community’ should celebrate and highlight diversity and flexibility as important attributes of a shared identity rather than use them as a reason not to strengthen the box. Some collaborative research is required to facilitate and examine moves towards developing a common understanding of purpose that does not lose sight of the diversity of community organisations.

The Potential Power of Community Organisations

Positive Engagement in the Discourse: Strengthening the ‘Box’

To construct and strengthen the community management ‘box’ in the context of the quasi-market, workers and management in community organisations need to develop, a ‘critical consciousness’ and a form of ‘cultural literacy’ of the managerialist discourse that constructs and supports the quasi-market. ‘Critical consciousness’ is an awareness of the discourse and the effects it has on practice and power relations, and: ‘cultural literacy’ is an ability to engage in the discourse in ways that allow for the features of community organisations to be maintained and strengthened through the use and the reinterpretation of the managerialist discourse. These concepts, coined by Onyx and Dovey (1999), reflect Foucault (Foucault 1976b; Foucault 1977a) and others (Fairclough 1989; 1995; Lemke 1995; Grant et al. 1998; Phillips et al. 2004) who contend that one of the functions of discourse is to empower or disempower groups, depending on whether the members in a community have the ability to interpret and use the discourse correctly.

Some scholars (Sugden 1984; Onyx and Dovey 1999; McDonald and Marston 2002b), argue that the increased importance of the community management model, due to the devolution of service provision, provides an opportunity for community organisations to have more influence on social policy agendas and to strengthen the importance of civil society in the modern state. A ‘critical consciousness’ of the managerialist discourse, developed into a ‘cultural literacy’ to enable effective engagement with those in the managerialist discursive fields, would facilitate this. Collaborative research is required to assist community organisations to develop ‘critical consciousness’ and ‘cultural literacy’ of managerialist discourse. One
example is Houlbrook (Houlbrook and Losurdo 2008) whose research aims to assist workers in community management to develop a critically reflexive approach to Results Based Accountability (RBA) framework. RBA is the accountability framework the NSW Government requires organisations funded by the Community Services Grants Program (CSGP) to adhere to. Houlbrook’s research will assist workers to use this framework in ways that are relevant to them.

**Emerging Strategies**

In this study, there was some evidence of ‘critical consciousness’ and ‘cultural literacy’ of the managerialist discourse including:

1) **Significant engagement in strategic planning processes**

Many community organisations were using managerialist planning tools to address some of the discursive tensions in an attempt to maintain some community values within the quasi-market context (Chapter 5). There was some evidence that the use of managerialist genre to highlight community values had assisted in legitimising community values to those working within a managerialist discursive framework, including government funding agencies Story #2, (Chapter 6) illustrates this. As noted above, however, some organisations had significantly adjusted their organisational goals to find a better fit with other significant organisational changes in practice informed by managerialist discourse. If extreme care is not exercised, this may tip the balance between engaging in the new discourse to further community goals, and ‘selling out’.

2) **Unforced partnerships**

The community sector has long understood that partnerships with like-minded organisations can strengthen all the organisations involved and allow these organisations to provide an enhanced ‘product’ for their clients in keeping with their organisation’s goals and philosophies. Unforced partnerships can create good ‘bridging social capital’ (Leonard and Onyx 2004; O’Shea et al. 2007) between
organisations as they are likely to fulfil the requirements of trust, reciprocity and shared norms that are largely absent in forced partnerships based on purely financial reasons. All the participants in this study had engaged in some form of partnership and resource-sharing prior to the government making it a priority. If there are multiple bridges among organisations within one community, it can promote ‘bonding social capital’ (Leonard and Onyx 2004; O’Shea et al. 2007) across the community (Leonard and Onyx 2004). It is not clear, however, where unforced partnerships, especially the many informal arrangements, stand in terms of the quasi-market.

‘Partnership’ and ‘collaboration’ are terms commonly found in the ‘community discourse’, whose meaning has clearly shifted in the ‘managerialist discourse’, with one of the possible consequences being ‘imposed isomorphism’. Furthermore, this study found that the competitive nature of the quasi-market had significantly increased mistrust among community organisations and among community organisations and other larger non-profit organisations (Chapter 8). This increasing mistrust had made it more difficult for community organisations to reach common understandings through informal networking. At the same time, there has been an increase in formalised relationships (Chapter 8) that may provide a forum for the development of common understandings. Importantly, the extent to which these relationships are coerced, will alter their effect on community organisations.

Community organisations can use the multiple meanings of these terms in different discourses to their advantage. ‘Partnerships’ and ‘collaboration’, terms understood and valued in community discourse, are now also purportedly understood and valued in the discourse of the quasi-market. Legge (as cited in Oswick et al. 1997) contends that “rhetoric and enacted practices are equally real” (p. 9) with apparent contradictions being due to different interpretations. Oswick et al. (1997) argue, therefore, that the multiple meanings of the discourse need to examined and understood. That the meanings are not the same is not important so long as users of the discourse understand both meanings and ensure that the meaning they adhere to is the one that is translated into practice in their organisation. As people working and managing community organisations already have strongly understood meanings for terms such as collaboration and partnership, they could continue to translate these
Imposed isomorphism occurs when partnerships are sought purely to maintain or gain funding without consideration of the goals and philosophies of the organisation. It may also occur, however, without ‘consciousness’ when there is no (or limited) understanding of the different meanings that can be attached to terms such as ‘partnership’ and ‘collaboration’ and the consequent influences on practice. Partnerships’ and ‘collaboration’ can therefore strengthen or weaken the community sector depending on the meanings attached to these terms and the motivation and the ‘consciousness’ of the organisation seeking to ‘partner’ or ‘collaborate’.

In this study, the overwhelming response regarding partnerships and amalgamation was that organisations do not have to formally amalgamate to obtain mutual benefit for the community, and that whether to join partnerships or not should be choice of community organisations, not imposed through funding requirements of governments.

3) Identifying commonalities to develop a stronger community sector identity values.

To date, the diversity of organisations within the community sector has made it difficult for the sector to define itself and has made standardisation difficult. Most of the ‘standardisation’ reported in this study was prescribed by governments rather than the community sector and was largely motivated by the need to maintain and attract funding.

Interestingly, however, with the pressures of competitive funding arrangements, community organisations have begun to more clearly define who they are by setting themselves apart from their ‘competitors’ – that is they are small not large, local not global, community not private organisations. Competitive funding arrangements therefore have the potential to strengthen the community sector as community organisations gain a clearer understanding of what they can offer that sets them apart from other types of organisations. One outcome may be that community
organisations work to ‘live up’ to their claims of local responsiveness and local knowledge by reinforcing connections with community although they found that this was very difficult within the constraints of the current competitive tendering regime.

While this strategy begins from the premise of the value of ‘community, participants can adopt both managerialist and community discourse in their approaches, depending on their audience. The tensions in discourse had made more salient what it was about community organisations that those associated with them most valued – features of community organisation that it would be most intolerable to lose (Chapter 8). From this knowledge, workers, management and other supporters of community management need to continue to develop ways to engage with those who use the dominant managerialist discourse in order to prevent the loss of the features of community organisations they most value. Another finding that emerged in this study was that there was a high level of fear and mistrust directly towards large non-profit organisations that were not community managed. As many of the concerns and frustrations raised in this study were also found in other studies conducted on these non-community non-profit organisations these organisations would better serve community organisations if they were viewed and treated as a useful ally rather than an enemy.

4) Increase in ‘critical consciousness’ through ‘networking’ and reflection

Although most participants upheld networking as an important element of community management, many reported that they had cut back on networking due to resource pressures (Chapter 6). Networking, is clearly an important component in developing a sense of ‘wholeness’ or building and strengthening the ‘box’. This study also found, however, that networking may assist in developing a ‘critical consciousness’. In this study, ‘consciousness of the discourse’ significantly increased through participation in focus groups, with individual stories creating a ‘big picture’ view. This was expressed with comments like: “this was a discussion that this group needed to have” (FG 1). Some participants also expressed that they needed to take ‘time out’ away from the day-to-day, where “we tend to lose sight of the big picture” (FG4). Similar evidence of new ‘consciousness’ was noted in some
interviews with some interviewees thinking through the issues prior to interviews, with the prompt of the previously distributed interview questions. This demonstrated that to increase ‘critical consciousness’ there needs to be space and time for discussion, reflection and group consideration. Supporters and peak bodies in the community sector should consider providing forums away from the everyday pressures to allow for reflection and discussion of wider policy issues that effect their organisation and/or their clientele. Furthermore, community organisations need to prioritise time and resources available to allow their staff and management to attend such forums.

Formalising the Co-existence of Discursive Positions: ‘Working Together for NSW’.

Another strategy that was developed after the data collection of this thesis was the ‘Working Together for NSW’ agreement. This is an agreement, based on a ‘compact’ style widely used in the UK (Casey and Dalton 2006; Casey et al. 2008), ostensibly between the NSW Government and the NSW Non Government Sector (Council of Social Service of NSW [NCOSS] 2006) although the NGO sector is represented by the NSW Council of Social Services (NCOSS) through their ‘Forum of Non-Government Agencies (FONGA)’ (Council of Social Service of NSW [NCOSS] 2006). The agreement identifies and documents shared goals, values and principles of the government and the NGO sector (Casey et al. 2008). The agreement states its purpose is to:

Strengthen the ability of the NSW Government and nongovernment human services organisations in NSW to achieve better outcomes for individuals, families and communities (NSW Department of Community Services and Forum of Non-Government Agencies [FONGA] 2006).

However at the time of writing this agreement appears to have become obsolete or forgotten (Casey et al. 2008) with two changes of Premier in the NSW Labor government since the agreement’s inception. This confirms, to some extent, some concerns that advocates for the NGO sector had about the agreement. While they welcomed it in principle (Rawsthorne and Christian 2004) there were concerns that there was no impetus on government to abide by the agreement (Casey et al. 2008) and that while the sentiment of shared values was welcomed (Rawsthorne and
Christian 2004; Casey and Dalton 2006) many believed that the agreement would not move beyond the rhetoric (Rawsthorne and Christian 2004; Casey et al. 2008). Nevertheless, the very act of negotiating the content of such a document highlighted that it is possible to discursively construct shared goals, values and principles between government and community organisations (Council of Social Service of NSW [NCOSS] 2006). It also documented the worth of NGOs from a government’s point of view and vice versa recognising the co-dependence each has upon the other. With the document stating:

The Agreement acknowledges the value in non government organisations and Government and its agencies developing and building on improved working relationships. It recognises that Government and non-government organisations may play different roles in achieving a common purpose (NSW Department of Community Services and Forum of Non-Government Agencies [FONGA] 2006).

As this agreement was introduced late in the study period it is not included in the main body of the analysis and discussion, it does however demonstrate an attempt to resolve some of the contradictions in discourse and to recognise the commonalties in goals, values and principles between government funding bodies and community organisations.

The Limitations and Strengths of this Research

This research had some inherent strengths and weaknesses which should be acknowledged. This research was limited to data which included participants’ accounts and the researcher’s interpretation of these accounts. The research did not gather data from all the main players of the community sector. It did not, for example, seek the view of clients or governments. However, the data collected was in-depth, complex and comprehensive due to the semi-structure character of the interviews. The responses were diverse with the participants reflecting the diversity of the ‘sector’. The researcher, having worked in community organisations for many years and being active in many sector networks, had some ‘insider status’. This influenced sample selection, data collection and analysis. Insider status generated a high level of participant trust which contributed significantly to the richness of the data. The researcher’s strong understanding of ‘community discourse’ and practice
also added an interpretive strength to the analysis. What is also important to acknowledge was the ‘strength of feeling’ of participants. All the participants had strongly felt concerns which were evidenced in the data, in the way the data were articulated and also in their willingness to participate.
Closing Comment: The Future Significance of this Study

Community organisations make up an important part of the social fabric of most societies in the western World. They provide much needed services, often to those in our communities who are marginalised by mainstream social and economic systems in some way. Many also provide a conduit to citizen participation through their democratic structures. In this study, the concept of community managed organisations was highly valued. This study found that community organisations often fall short of these depictions, however. The researcher, as an ‘insider’ held many deep-seated assumptions regarding the inherent worth of community organisations prior to approaching the research, the critical analysis of the data had somewhat challenged many of these assumptions. Nonetheless, community organisations remain an important element of society and have become more so with the devolution of government service provision. As such, very few of their critics would suggest that we do away with the concept of community organisations altogether. Instead we should endeavour to support and facilitate community organisations to ‘live-up’ to their discourse. This research goes some way to achieving this. Some studies (Neville 1999; Maddison et al. 2004; Manning 2004; Maddison and Scalmer 2006; Hamilton and Maddison 2007) have focused the role of government arguing for change at the governmental level to ensure the survival of community organisations. In addition, this study found that community organisations can and must take the lead in their own survival.

This research assumed that the quasi-market, supported by managerialist discourse was not likely to be replaced by the traditional ‘funding model’ in the near future. Although identifying and documenting the impact of the evident ‘frustrations’ participants had experienced with the advent of the quasi-market model were an important part of the research process, this study was more interested in ways in which the community organisations had responded to these impacts: that is, what were the helpful and unhelpful practices that arose from the tensions in the discursive contest. This research was therefore not focused on changes at a government level but on what community organisations can do to ensure their own sustainability. This research found that both oppositional approaches and reminiscing about the ‘good-
old-days’ had not served community organisations well. Although the power relations between government agencies and community organisations remained complex, community organisations were gaining more insight into their inherent values and commonalities and are exploring ways to communicate and promote these by critically using the managerialist discourse.

While managerialist discourse in the context of the quasi-market poses a real threat to cooperative behaviour and mutually supportive relationships, and particularly to small local organisations, there are also opportunities to build and enhance individual community organisations and a community sector in the current policy context. The first step is for community organisations to recognise their strength. Governments need community organisations to deliver services and the competition they have constructed is not a real open market, but a quasi-market. To uphold what were seen as features of community organisations, and prevent the loss of difference, further reframing and identification of commonalities of purpose needs to occur. People in community organisations need to learn how to engage in and interpret the new discourse in order to be able to reinterpret discourse in a way that upholds the features of community organisations they particularly value. To be most effective in upholding these values community organisations also need to present as a group with a common purpose to promote the worth of community organisations and to stand up to funders with this common purpose. They should collectively refuse inadequate funding, for example, which leads to exploitation and poor service provision. While, diversity and flexibility have thwarted efforts to solidarity, these, these were identified as important features of community organisations. Whatever common understandings community organisations develop and uphold – whatever ‘box’ they build for themselves – therefore should celebrate and champion, this diversity of community organisations rather than shy away from it.
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### Appendix 1

#### Di Maggio and Powell’s Isomorphic Pressure Hypotheses

<table>
<thead>
<tr>
<th>Institutional Isomorphic Pressure</th>
<th>Hypothesis A1</th>
<th>Hypothesis B1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coercive Pressures</td>
<td>The greater the dependence of an organisation on another organisation the more similar it will become to the organisation in structure, climate and behavioural focus</td>
<td>The greater the extent to which an org field is dependent upon a single (or several similar) source(s) of support for vital resources, the higher the level of isomorphism</td>
</tr>
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<table>
<thead>
<tr>
<th>Coercive Pressures</th>
<th>Hypothesis A2</th>
<th>Hypothesis B2</th>
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<tbody>
<tr>
<td></td>
<td>The greater the centralisation of Organisation A’s resource supply, the greater the extent to which Organisation A will change isomorphically to resemble the organisation on which it depends for resources</td>
<td>The greater the extent to which the organisations in a field transact with agencies of the State, the greater the extent of isomorphism in the field as a whole</td>
</tr>
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<table>
<thead>
<tr>
<th>Mimetic Pressures</th>
<th>Hypothesis A3</th>
<th>Hypothesis B3</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>The more uncertain the relationship between means and ends, the greater the extent to which an organisation will model itself after organisations it perceives as successful</td>
<td>The fewer number of visible alternative organisational models in a field, the faster the rate of isomorphism in that field</td>
</tr>
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<tr>
<th>Mimetic Pressures</th>
<th>Hypothesis A4</th>
<th>Hypothesis B4</th>
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<tbody>
<tr>
<td></td>
<td>The more ambiguous the goals of an organisation, the greater extent to which the organisation will model itself after organisations that it perceives as successful</td>
<td>The greater the extent to which technologies are uncertain or goals are ambiguous within a field, the greater the rate of isomorphic changes</td>
</tr>
</tbody>
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<tr>
<th>Normative Pressures</th>
<th>Hypothesis A5</th>
<th>Hypothesis B5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The greater the reliance on academic credentials in choosing managerial and staff personnel, the greater the extent to which an organisation will become like other organisations in its field</td>
<td>The greater the extent of professionalization in a field, the greater the amount of institutional isomorphic change</td>
</tr>
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<table>
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<tr>
<th>Normative Pressures</th>
<th>Hypothesis A6</th>
<th>Hypothesis B6</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>The greater the participation of organisation manager in trade and professional association, the more likely the organisation will be, or become, like other organisations in its field</td>
<td>The greater the extent of structuration of a field, the greater the degree of isomorphism p 77</td>
</tr>
</tbody>
</table>

(Di Maggio and Powell 1991 p. 76).
ARE YOU:

Concerned about the future for Community Organisations?
Finding new legislation and funding requirements difficult to meet?
Having trouble finding and keeping Management Committee Members?

Interested in finding out ‘What Works’ - to ensure the continued viability of
the Community Management Model and to assist your organisation’s
sustainability?

Then consider Contributing to Important Research into Community Management

For more Information or an Expression of Interest Form
Phone or Email Peri O’Shea: 9548 6974 or p.young@uws.edu.au

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For more Information contact Peri O’Shea (formerly Peri Young).
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This research is funded and supported through a partnership with the Australian Research Council (APAI Scholarship), the University of Western Sydney and Industry Partners; LCSA (Local Community Services Association) and WESTIR (Western Sydney Information & Research Service) Ltd.
Appendix 3

UNIVERSITY OF WESTERN SYDNEY
School of Applied Social and Human Sciences
College of Social & Health Sciences
Social Justice and Social Change Research Centre

IMPORTANT RESEARCH INTO COMMUNITY MANAGEMENT IN NSW
EXPRESSION OF INTEREST FORM

1. Name of Organisation: ____________________________________________________________

2. Contact Name: __________________________________________ Email: __________________________

3. Phone: __________________________________________ Email: __________________________

4. Suburb or Region: __________________________ Email: __________________________

5. Is your organisation managed by a *Community Management Committee? Y / N (*necessary to participate)

The stages of this project will include:
   o Focus Groups - industry contribution to what issues should be explored in the study
   o Interviews with one Management Committee Member and a Senior Staff Member from each organisation
   o More in-depth study to build a 'case-study' record.

6. Would your management committee be interested in being involved in this research? Y / N / Unsure (will check)

7. Would one Management Committee Member and the Executive Officer (or Coordinator) be available for interview of approximately one hour duration? Y / N / Unsure (will check)

8. Would your organisation be interested in participating in a more in-depth study to build a 'case-study' record. Y / N / Unsure (will check)

(The following questions are to ensure that a diverse range of organisations are included in the study – the information provided will not be used for any other purpose and will be kept confidential)

9. How many staff does your organisation employ?
   ______ Full time / _______ Part-time / _______ Casuals / Approx total weekly staff hours =

10. What Government Departments do you receive funding from? (circle as many as apply)
    DOCS / DADACH/DIMA / FACS / Health / DET / Local Gov/ Other: __________________________

11. What government programs are you funded through (circle as many as apply)
    CSQP / HACC / CSSS / MRC / MSA / SAAP / Other: __________________________

12. Does your organisation have any Non-government income? Y / N

13. Has your organisation experienced any significant internal changes in the past 5 years? Y / N

14. Have there been any significant changes in funding arrangements in the past five years? Y / N

Thank you for your Expression of Interest

Please send this form to: Peri O'Shea PO Box 510, Miranda 1940
Or Email to: p.young@uws.edu.au for an electronic copy of this form
Or Fax to: Faye Williams LCSA (02) 9281 0386

This research is funded and supported by the Australian Research Council and UWS In collaboration with Industry Partners, WESTIR Limited (Western Sydney Information and Research Service) and LCSA (the Local Community Services Association). For more information, please contact Faye Williams from LCSA Phone: (02) 9211 3944 or Email: info@lcsa.org.au; Peter Rogers from WESTIR Phone: (02) 9822-3011 or Email: peter@westir.org.au; or Peri O'Shea (formerly Young), UWS PhD Student, Ph: 9548 6974 M: 0418 465 552 Email: p.young@uws.edu.au

* indicating Y / N in this form is an Expression of Interest only and does not obligate you of your organisation. If your organisation is considered appropriate for this study, your organisation will be contacted and official signed consent will be sought if the organisation opts to participate in the study.
April 2005

LETTER OF ENDORSEMENT

ENCOURAGING COMMUNITY SERVICE PROVIDERS
TO PARTICIPATE IN IMPORTANT RESEARCH

Dear Community Service Providers,

The need to support management committees of community organisations is a major ongoing issue for the community sector in NSW. The University of Western Sydney Social Justice and Social Change Research Centre has funding from the Australian Research Council to do research on the issues facing community management in NSW.

This research aims to identify the dilemmas experienced by community management, when facing challenges such as continual change, and to identify where there has been success.

This research should result in practical benefits for the community sector and community organisations. This will include information of what is working and what is not, both at an organisational and a broad policy level and provide evidence that can lead to better policy and practice.

This research is supported by two community sector partners WESTIR Limited (Western Sydney Information and Research Service) and LCSA (the Local Community Services Association). Peri O’Shea is the post-graduate student at the University of Western Sydney who is working on this project.

I understand that everyone is stretched for time, but I believe that this is critical research and that your involvement will benefit the whole sector as well as individual community organisations. Hence, I urge you to participate if possible.

If you would like more information, please contact Peri: Phone (02) 9548 6974 or Email p.young@uws.edu.au

Yours Sincerely

Faye Williams
Executive Officer
Appendix 6

Community Management of Human Services in the Quasi-market: A critical examination of community management practices in government funded human service providers in NSW

Focus Group Information Sheet

Introduction

Changes in the way relationship between government and community organisations is described.

From “funding” community services organisations, to “purchasing” the delivery of community services.

Quasi market - as community organisation can usually only ‘sell’ to the government.

Possible changes in power - who decides? Gov. as the sole purchaser puts the Community Representative Role in question

Many new ‘managerialist’ genres and practices introduced.

Two potentially contradictory discourses

- the discourse of community, which emphasises participatory practices and volunteerism,
- and the discourse of managerialism which emphasises efficiency and market driven processes.

This research will critically examine:

- effects of the shift in the relationship between government and community organisations
- role of discourse in promoting and changing practice
- extent to which the current changes in discourse have been ‘taken-up’ by community organisations
- the influence of adopting the new discourse in the success (or otherwise) of community organizations

And what this might reveal about the continued viability and relevance of community organisations.

This research is funded and supported through a partnership with the Australian Research Council (APAI Scholarship), the University of Western Sydney and Industry Partners; LCSA (Local Community Services Association) and WESTIR (Western Sydney Information & Research Service) Ltd.

Peri Young
PhD Student
ARC APAI Scholarship
Social Justice, Social Change Research Centre
University of Western Sydney
Focus Groups Discussion Points

Changes in funding requirements

What is required now? Differences from previous requirements? What? Why?

What are some of the impacts of meeting these requirements?

Relationship with Funding Bodies

Impact of changes on the relationship between organisations and funding bodies?

How would you characterise your relationship (eg Partnership, Professional, Personal, Vendor/Customer, Funder/Funded). Has this changed? How? Why?

Has there been any changes in orgs structure or practice to reflect changes in relationship with funding bodies?

Managerial Discourse and Genre


What other changes, challenges are organisations facing?
  - Insurance?
  - OH&S?
  - Privacy Legislation?
  - Award Changes?
  - Other?

What impact have these things had orgs? Staff and Management Roles?

Management Committee

Issues concerns with Management Committee Model? Problems / changes with:
  - Recruitment?
  - Training?
  - Expertise?
  - Impartiality?
  - Turnover?
  - Getting Quorums?
  - Community Representativeness?

Has there been significant changes to the way orgs are structured, managed or practiced?

Any issues / dilemmas Community Organisations face which should be critically examined?
Appendix 8

Interview Question Directions

1. What are some of the changes that your organisation and you as a worker or management committee member have experienced in the past ten years
   - Changes in funding requirements
   - Relationship with Funding Bodies

2. How have you and your organisation managed these changes?
   - Doing things differently
   - Redefining

3. What have been, or are, some of the specific challenges or frustrations that you and/or your organisation has faced?
   - Changes in Management Committee
   - Cuts in / or Loss of funding
   - Changes to service provision
   - Ability to engage in Advocacy
   - Compliance and Legislative Changes
     - Service Contracts
     - OH&S?
     - Insurance?
     - Privacy Legislation?
     - Award Changes?

4. What strategies have been put in place to deal with these?
   - Changes to staff numbers / hours
   - More volunteer hours
   - Changes to Service Provision
   - Increase in "Independent funding
   - Amalgamation / Partnerships

5. In the context of the changes, what is working for you and your org?
   - What has helped?

6. What changes would you like to see, what strategies could be put in place that may be more helpful?
Dear,

Thank you for your organisation's interest in this important research and for agreeing to an Interview. Each interview will take approximately 45 minutes and can be conducted over the phone or face to face – the details as arranged with you are outlined below – please contact me if you would like to change the date, time or venue.

I have attached an Interview Consent Form for each Interviewee to complete and an Organisation Consent Form to be completed by two Office Holders on behalf of your members.

I have also attached a Pre-Interview Questionnaire for you to complete prior to the Interview with Demographics and a little bit of background information. This will allow us to use the entire interview time to discuss more pertinent matters.

Please note that this study is looking at structures and practices in community managed human service organisations in NSW in order to identify the dilemmas experienced by community management, when facing challenges such as continual change, and to identify where there has been success. As such, this research does not require the divulgement of personal information about yourself or others and nor is there any intent to judge or test you or your organisation in any way.

Prior to the Interview it would be helpful if you gave the following questions some thought:

**Interview Question Directions**

- What are some of the changes that your organisation and you as a worker or management committee member have experienced in the past ten years

- How have you and your organisation managed these changes?

- What have been, or are, some of the specific challenges or frustrations that you and/or your organisation has faced?

- What strategies have been put in place to deal with these?

- In the context of the changes, what is working for you and your org?
  - What has helped?

- What changes would you like to see, what strategies could be put in place that may be more helpful?

**Interview Details**

Name: 
Date: Time: 
Venue: 


SECTION 1 - ORGANISATION DEMOGRAPHICS (This Section requires only one per organisation)

Name of Organisation: ____________________________________________________________

1) How many staff does your organisation employ?
   ______ Full time / ______ Part-time / ______ Casuals / Approx total weekly staff hours = ______

2) Have your staffing ratios and hours changed in the last 5 years? Yes/No
   If Yes:
      i) When did they change? __________________________________________________________
      ii) Why did they change: _________________________________________________________
      iii) Previous Staff Numbers: ______ Full time / ______ Part-time / ______ Casuals
         iv) Previous total weekly staff hours =: ______

3) What is the Annual Income of your Org? <$100K / $100-250K / $250-400K / $400-500K / $550-700 / >$700K

4) Approximately what percentage of this income comes from Government funding? ______%
   i) If it is less than 100%, what other funding sources does your organisation have, which are Independent of Govt?
      ____________________________________________________________

5) What Government Department(s) does your organisation receive funding from? (circle as many as apply)
   DOCS / DADACH/DIMIA / FACS / Health / DET / Local Gov./ Other: ____________________________

6) What Government Funding Program(s) is your organisation funded through (circle as many as apply)?
   CSGP / HACC / CSSS / MRC / MSA / SAAP / Other: ___________________________________________

7) How long has your organisation been receiving funding from the funding program(s) circled in Question 6?
   CSGP ___ yrs / HACC ___ yrs / CSSS ___ yrs / MRC ___ yrs / MSA ___ yrs / SAAP ___ yrs / Other: ____________________________

8) Approximately what percentage of your income comes from each of the funding program(s) listed in Question 6?
   CSGP ___% / HACC ___% / CSSS ___% / MRC ___% / MSA ___% / SAAP ___% / Other: ______%

9) Have there been any changes to the amount of funding you receive from the funding program(s) circled in Question 6?
   Yes/No
   i) If yes, please indicate which program(s) and provide a brief account of the change and why the change occurred:
      ____________________________________________________________

10) Has your organisation lost government funding in the past five years? Yes/No
    i) If yes, please indicate which funding program(s) and provide a brief account of when and why:
       ____________________________________________________________
SECTION 2 – INTERVIEWEE DEMOGRAPHICS
(This section requires each Interviewee to complete his/her personal details)

Interviewee 1 - Paid Employee

Name: ____________________________ Gender M / F Age: <25 / 25-35 / 35-45 / 45-55 / 55-65 / >65

1) How long have you worked for the organisation? < 1 yr / 1-2 yrs / 2-5 yrs / 5-10 yrs / 10-20yrs / >20yrs

2) What is your current position in the organisation?

3) Have you been in this position for all of the time indicated in Question 1? Yes / No
   i) If no, what other positions have you held and for what period of time?

4) Have you ever been involved in the organisation in another capacity? Yes / No:
   i) If yes, what was your previous position / role:
   ii) Subordinate Worker / Volunteer / Client / Management Committee Member / Worker from a Networking Organisation / Other:

5) How did you get involved in the organisation? (please only circle one)
Formal Advertising & Interview Process / Word of Mouth / Personal Approach / Other:

6) Why did you take a job in this organisation? (you can circle more than one)
Liked what the Org was doing / Liked Org's goals & philosophy / For experience / Rewarding Job / Attachment to the Org (eg. Client, parent of client) / For the pay / Other:

Interviewee 2 - Management Committee Member

Name: ____________________________ Gender M / F Age: <25 / 25-35 / 35-45 / 45-55 / 55-65 / >65

1) How long have you been on the Committee of the organisation? < 1 yr / 1-2 yrs / 2-5 yrs / 5-10 yrs / 10-20yrs / >20yrs

2) What is your current position on the committee?

3) Have you been in this position for all of the time indicated in Question 1? Yes / No
   i) If no, what other positions have you held and for what period of time?

4) Have you ever been involved in the organisation in another capacity? Yes / No:
   i) If yes, what was your previous position / role:
Volunteer / Client / Employee / Worker from a Networking Organisation / Other

5) How did you get involved in the organisation? (please circle only one)
Formal Advertising & Interview Process / Word of Mouth / Personal Approach from Employee / Approach from another Committee Member / Other:

6) Why did you get involved? (you can circle more than one):
Liked what the Org was doing / Liked the Org's goals and philosophy / Needed to make up the numbers / For experience / For contacts / Wanted to help out a friend / Required or encouraged as part of my job / Attachment to the Org (eg. Client, parent of client) / Got 'talked into it' at the AGM / Other:

Thank you for completing this Pre Interview Questionnaire I look forward to interviewing you

I will pick up this form at the Interview for face-to-face interviews
For phone interviews: please send this form to: Perth O'Shea PO Box 510, Miranda 1940
Or Email to Peri at: p.young@uws.edu.au
Community Management of Human Services in the Quasi-market: A critical examination of community management practices in government funded human service providers in NSW

INTERVIEWEE CONSENT FORM

I, (Your name)

(Your position in the Org)

representing (Org Name):

consent to be Interviewed in relation to the above named research into Community Management in NSW conducted by UWS PhD Student Peri O'Shea.

- I understand the purpose and the aims of the research.

- I understand that the information that I give will be confidential and that my organisation will be kept informed of the research progress and outcomes.

- I understand that there are no disadvantages/penalties/adverse consequences to not participating or withdrawing from this research at any stage.

- I have consented to participate in this research voluntarily without being subject to any coercion, or to any inducement or influence that could impair its voluntary character.

Signed: ____________________________

Date: ____ / ____ / ________

NOTE: This study has been approved by the University of Western Sydney Human Research Ethics Committee. If you have any complaints or reservations about the ethical conduct of this research, you may contact the Ethics Committee through the Research Ethics Officers, nominated as Complaint Officers (tel: 02 47 360 883 or 02 47 360 884). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.
Community Management of Human Services in the Quasi-market: A critical examination of community management practices in government funded human service providers in NSW

ORGANISATION CONSENT FORM
(to be completed by two Office Holders)

We, (names)________________________________________ and ________________________________ in representing the Members of (Org Name): ________________________________________

consent to this organisation participating in the above named research into Community Management in NSW conducted by UWS PhD Student Perl O'Shea.

We consent to the following two people being interviewed as representatives of our organisation
(Interviewee 1) ________________________________________________________________
(Interviewee 2) ________________________________________________________________

- We understand the purpose and the aims of the research.

- We understand that the information that our representatives will give will be confidential and that our organisation will be kept informed of the research progress and outcomes.

- We understand that there are no disadvantages/penalties/adverse consequences to not participating or withdrawing from this research at any stage.

- We have consented to participate in this research voluntarily without being subject to any coercion, or to any inducement or influence that could impair its voluntary character.

Signed: ________________________________  Signed: ________________________________

Position: ________________________________  Position: ________________________________

Date: ___/___/_______  Date: ___/___/_______

NOTE: This study has been approved by the University of Western Sydney Human Research Ethics Committee. If you have any complaints or reservations about the ethical conduct of this research, you may contact the Ethics Committee through the Research Ethics Officers, nominated as Complaint Officers (tel: 02 47 360 883 or 02 47 360 884). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.