

Trouble with champions: making sense of local public sector – third sector relationships in the UK

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Abstract

In Britain, government has a range of initiatives to get public sector and third sector organisations working together successfully. This article draws upon preliminary evidence from a series of policy seminars undertaken in a sub-region of Northern England. The aim of the article is to remark upon two aspects of inter-sector relationships. Firstly to explore differences in occupational and professional identity within and across sectors; and secondly, to consider organisational cultural differences which appear to operate in the two sectors. From this analysis, research questions will be raised which may help to determine how organisational cultures and occupational identities are produced and, explain how they are reproduced or change over time. The conceptual value of the article lies in its critical assessment of ‘taken for granted’ ideas, embedded notions which go ‘unrecognised’ and ‘unspoken’ assumptions which affect practices. The analysis suggests new areas for enquiry which will strengthen understanding and inject greater realism into government expectations about public sector - third sector working relationships.

Keywords

Third sector, public sector, public service delivery, partnership relationships

Introduction

From 1997-2010, Britain's New Labour government invested heavily in a range of initiatives to get public sector and third sector organisations working together successfully at the local level to tackle problems associated with multiple deprivation (for recent policy analyses, see Kelly, 2007; Haugh and Kitson 2007, Davies 2008, Carmel and Harlock 2008, Birch and Whittam 2008). In so doing, the intention was to produce policies and interventions which would create stronger, more prosperous and sustainable communities (Labour Party, 1997). On the surface, this approach to 'collaborative governance' seems to make sense, as many top-line political arguments do; and all the main political parties have agreed with its broad principle. Few senior politicians seriously doubt that parts of the public sector and parts of the third sector do, and need to work hand in hand.

There is a significant body of analytical commentary which explores the practicalities of achieving collaborative governance (Atkinson 1999, Carmel and Harlock 2008, Office of the Third Sector 2006a, Cabinet Office 2008). For some commentators, who adopt a pluralistic and broadly positive stance, engaging in collaborative governance produces a win-win situation for the public sector, third sector and the beneficiaries of the services that are provided (for an analytical review of this literature see Ansell and Gash, 2007). Sometimes the 'can-do' enthusiasm of advocates can be overstated, however, as one optimistic tool kit concludes: 'This collaborative governance system can work anywhere as long as several key principles are adhered to: transparency; equity and inclusiveness; effectiveness and efficiency; responsiveness; accountability; forum neutrality; and consensus-based decision making.' (http://www.policyconsensus.org/publicsolutions/ps_2.html, 20th April 2010). Other writers are unconvinced that such claims are practicable, achievable or desirable. Indeed, Carmel and Harlock (2008) assert that collaborative governance is, in reality, a sophisticated form of state control, where the third sector is the 'object' of governance rather than its equal partner. They argue that government has attempted to institute the third sector as a 'governable terrain' through 'discourses, strategies, and administrative and policy changes broadly conceptualised as "governance".' (2008: 156). Researchers have rarely paid detailed attention to the practicalities of achieving government objectives for effective collaborative governance if it depends, firstly, upon partnership working between sectors with very different professional and occupational identities and organisational cultures and practices; and secondly, when the partnership relationship is inequitable in terms of control over setting priorities and financial resources.

The New Labour government invested heavily in achieving its objectives including: the agreement of national and local compacts; major injections of funding into capacity building for the third sector to help TSOs prepare to take on public sector contracts; and an ambition to provide 3,000 public sector procurement officers with training to get a better appreciation of what the third sector is, how it operates, and how best to work with it (Cabinet Office 2007, HM Treasury 2006, Office of the Third Sector 2006a, 2006b, Home Office, 2004a, 2004b, 2005, Kelly 2007). The New Labour government also recognised that there was a dearth of reliable evidence on the structure and functions of the third sector and how it related to the public sector – much public money was invested in filling these knowledge gaps through the work of the Office of the Third Sector which was based at the heart of Whitehall in the Cabinet Office, and the establishment of an independent Third Sector Research Centre (Pharoah and Williamson 2008).

The aim of the article is to remark upon two aspects of inter-sector relationships. Firstly to explore differences in occupational and professional identity within and across sectors; and secondly, to consider organisational cultural differences which appear to operate in the two sectors. While our empirical research base is limited in scope at present, we adopt a 'big picture' perspective which avoids the temptation of over emphasising the importance of organisational diversity within sectors. This will inevitably produce generalisations which may not stand up to subsequent close empirical scrutiny at sub-sector or case study level. That is no reason to abandon the project, however, because we aim only to critically assess articles of faith which are 'taken for granted', embedded ideas which go 'unrecognised', and 'unspoken' assumptions which affect practices. In so doing, we aim to begin to distinguish between, firstly, what appear to be fundamental differences between the sectors which cannot easily be changed; and secondly, identify areas of greater consensus which might have become 'invisible' due to prevalent organisational cultural practices and occupational identities in each sector. The value of the analysis, we hope, is that it will allow us to outline some areas for sociological enquiry which will strengthen understanding and inject greater realism into government expectations about the potential of the third sector.

In more focused terms, we ask this fundamental question: how do public sector officers (PSOs) and third sector champions (TSCs) position themselves in relation to each other in terms of occupational identity and organisational culture. At this stage of our work, we do not intend to over-theorise our analysis. Instead, the article addresses conceptual issues which will inform subsequent empirical work and analysis. As the project is in its early stages, it would be premature to make claims to understanding of a more theoretical nature.

As this is a preliminary statement from a much larger study it is necessary for us to introduce some caveats about the scope and range of our analysis. Firstly, it is necessary to explain how we use the term 'third sector champions'. In its use we do not imply that our respondents are 'the' champions of the sector in the area of study, but rather that they are individuals who are chief officers of third sector organisations and are also actively involved in representing the interests of the sector as a whole - they 'champion' its cause. We found the term useful because government often alludes to the importance of champions in the development of the third sector, sustainable communities, and so on (see Williams 2004, HMTreasury/Cabinet Office 2006, Jochum *et al.* 2004). Secondly, we recognise that *not* directly including the private sector in this study is a potential weakness. We do make assertions about the differences between the third sector and private sector in what follows which is based on commentary *about* the business sector by third sector and public sector practitioners. However, we do outline possible research directions to remedy this shortcoming in the conclusion to the article. Thirdly, this study is concerned with those organisations which are directly concerned with building sustainable communities in areas which have suffered serious deprivation over many decades. So our research does not directly relate to the activities of national and international charities which work across a wider canvas. We are aware that many national charities are involved at local level in the areas under scrutiny, however none of our seminar participants came from national charities. Instead they were all members of small or medium sized local organisations¹. At this time, there is no reliable national level data to determine how representative this is. A fourth caveat centres on the limitations of the data we are using to flag up new research agendas. However, we

defend this on the basis that this work was undertaken as a prelude to a much larger longitudinal study of the third sector which we are now undertaking, funded by Northern Rock Foundation (see Chapman *et al.* 2009, 2010a, 2010b; Bell 2010).

The article is divided into five sections. The first two sections provide an outline of the policy context and our research methodology. The third and fourth sections consider public sector/third sector relationships from the perspective of Third Sector champions (TSCs) and public sector officers (PSOs) respectively. The concluding section assesses the implications of these findings in policy terms and outlines areas for future research.

Social policy context

There has been broad political support in recent years for the principle that the third sector has a very important role to play in strengthening local communities (Billis and Harris 1996, Gaventa 2004, Cabinet Office 2007). It is generally assumed that voluntary and community organisations and social enterprises are 'closer' to communities because they are established to meet immediate needs of people living in those localities. They are thought to have more credibility, particularly so in multiply deprived communities, and consequently have a better chance of making positive links with the 'hardest to reach, hear and help' people in the community, so bridging a gap between the most socially excluded and mainstream society.

Support for the development of the third sector has arisen from a voguish political view that communities should take more responsibility for their own well-being. On the surface, at least, this represents a root and branch assault on the once prevalent Modernist view that 'the council' always knew what was best for the people in its area. In the UK, New Labour set its course ten years ago to tackle these issues through the development of a mixed economy of welfare. This has led to the establishment of a whole host of new initiatives and the investment of massive sums of public money to tackle the causes of multiple deprivation and to increase community cohesion and engagement. Positioning himself as a pragmatist, Tony Blair extolled the virtue of 'partnership working' to challenge the recalcitrance and autonomy of people working in 'professional silos' and to achieve 'joined-up working'. 'Evidence based practice' was demanded to avoid the wasteful and destructive consequences of ideologically loaded policy which was dressed up as 'common sense' by Margaret Thatcher's governments. Government became increasingly preoccupied with targets, and to help achieve them, 'performance management' measures were imposed upon public sector bodies to achieve stated 'outcomes' (for useful reviews of such policy changes, see (see Powell 2007, Taylor 2004, Barnes 2006).

Government has not just challenged the authority of local government to decide what is best for its local area, but also asserted that local government may not have the capability successfully to deliver a full range of services to communities. Following the lead of Conservative governments from 1979-1997, New Labour has progressively chipped away at the direct responsibilities of local government to deliver services, so opening up opportunities for other public sector bodies, third sector and private sector organisations to step in and do this work on their behalf (for useful extended analyses of the policy framework, see: Coulson 2004, Deakin 1995; Harris *et al.* 2004, Gaventa 2004, Lewis 1999, Osborne and McLaughlin 2004).

Third sector organisations often claim that they are well placed to identify local needs and think up new ways of providing niche services to support people. Often such services can be provided quickly, relatively cheaply and also play the double dividend of employing local people to do the work. Given the niche market orientation of small third sector organisations working in local communities, it is not surprising that key figures have emerged in local areas who, by accident or design, are recognised as ‘community champions’, working tenaciously to win political support and economic resource to further their cause. In the next section, we will draw upon evidence from research in a sub-region of northern England, to illustrate how these changes in the way the public sector and third sector interact have impacted on perceptions and relationships.

Approach to the policy seminars

In 2008, we organised three policy seminars to explore inter-sector relationships. We invited twenty PSOs and TSCs, most of whom we had established a good working relationship with over several years through other projects we have been involved with (Chapman *et al.*, 2007a, 2007b, 2008, Chapman and Crow 2008). We invited people who represented a range of organisational types in both sectors and who had different levels of responsibility and authority. Seminars were organised to take place in a full morning session followed by a working lunch. We began with an introduction to the questions we intended to explore and then divided people into three groups to discuss one of three issues: defining sector boundaries; representation of sector interests, and issues surrounding professional and occupational identity and organisational culture. Each small group had a facilitator who asked pre-defined questions and made notes on the debate but did not become directly involved in the discussion. Following this, the three groups came together to critically discuss findings with facilitators. The debates were very energetic and sometimes quite heated, but remained mainly positive and constructive throughout. In the final seminar, which involved all participants, key issues were raised from the first two seminars to highlight the barriers to inter-sector cooperation. In this session, we gave small groups practical exercises to share views on areas for potential development. The purpose of this was to get a better understanding of areas of consensus and divergence of interest. As was the case in earlier seminars, all participants were then brought together for a closing debate led by researchers. After the seminars, we fed back key findings to participants and stated our intention to repeat the exercise at a later date to explore issues in more depth following a phase of in-depth interviewing across the area. This work is being undertaken as part of the Northern Rock Foundation Third Sector Trends Study (Chapman *et al.* 2009, 2010, Bell *et al* 2010).

‘We don’t even know who we are’: Boundaries, cooperation and representation

The Local Government White Paper, ‘*Strong and Prosperous Communities*’ emphasised the importance of developing stronger links between the public sector and the third sector and sought to establish a better working relationship between sectors: ‘We want the best local partnership working between local authorities and the third sector to be the rule, not the exception, and for the sector to be placed on a level playing field with mainstream providers when it comes to local service provision’ (Department of Communities and Local Government 2006, para. 2: 55). Partnership

working makes sense, politicians often assert, because it adds value to the contribution of individual agencies and organisations which might otherwise work along parallel lines, or worse, in contradictory or conflicting ways. Taking a sociological step back, it seems obvious that partnerships can only work effectively if they are reasonably equitable: where all sides have similar political and economic resource (see Deakin 1995). Unless, that is, subordinate partners view inequitable power relationship as legitimate and accept their economically and politically deferential status. Our observations of inter-sector relationships suggest that while the third sector is heavily dependent on the public funding, this rarely translates into open displays of deference to the authority of the purse holder. Indeed, the combative style of some TSCs can manifest itself in robust claims for third sector independence whilst at the same time expecting financial support. This can help reinforce PSOs' view that working with the third sector is too challenging to be worthwhile (see: Chapman *et al.*, 2007a, Purdue *et al.* 2000, Shirlow and Murtagh 2004).

Theoretically at least, successful partnership would depend upon individual TSOs, or designated representatives of the local third sector (such as chief officers of the local council for voluntary service) being in a position to voice their interests in a reasonably holistic way (Deakin 1995, Atkinson 1999, Carmel and Harlock 2008, Office of the Third Sector 2006a, Cabinet Office, 2008) This is not easy for the third sector as its boundaries are blurred, its composition diverse, its interests and objectives varied and, as a consequence, its internal dynamics very complex (see Chapman *et al.* 2009, Evers and Laville 1999) . This was not thought to be a problem until the 1980s when government began to recognise the advantage of drawing upon the resource potential of the third sector in a mixed economy of welfare (Taylor 2004, Powell 2007) and as a consequence saw benefit in determining the size and shape of the sector (Kendal 2000). Government has since widened previously accepted definitions of the Voluntary and Community Sector (VCS)ⁱⁱ, to include social enterprise, value-led co-operatives and mutual societies. More recently, as parts of the public sector (in social housing initially and now especially in the field of health) have been hived off and redefined as social enterprises, debate about the boundaries of the third sector has intensified (Evers and Laville 1999, Chapman *et al.*, 2009).

At a local level, debates about what constitutes the third sector can be particularly intense, if indeed the idea of a single sector is accepted at all. In the first of our series of policy seminars, clues were gained as to why this might be the case. In some cases, third sector participants completely rejected the idea of defining a sector, as one participant remarked: 'I don't like labels; I want the freedom to be whatever I want.' Others rejected formal definitions of sector boundaries on the basis that effective alliances could only be achieved in times of adversity. For some, the phraseology of 'third sector' deterred them from using the term. One participant stated, '[third sector] as a label has overtones of third world', so implying that the term in some way diminished the importance of the sector. Reaching such a conclusion is likely to be underpinned by more complex reasoning than that which appears on the surface. The association with 'Third World' issues may reveal concerns about power imbalances between the sectors – so leaving the third sector vulnerable to exploitation. A recent Conservative Party Green Paper has recognised this and in its preface, David Cameron refers to the third sector as the 'first sector' (2008: 4)

The lack of a commonly accepted label for the sector produced some frustration about a lack of sector cohesiveness and identity; as one participant stated, 'we don't even know who we are'. Others bolstered such arguments by asserting that government defined the sector in broad terms to serve their own interests. As one participant enquired: 'is it just so that the government can get us in a box?' Or, to put it differently, an attempt by government to compartmentalise *and* control the sector. It was felt by some participants that the term 'third sector' was adopted by Government to help it meet its own objectives and, for some, this amounted to interference with the autonomy of the sector to define its own boundaries: as one participant stated, 'To what extent do we allow the government to define the sector? We should set the agenda, not the government.'

Arguments over which organisations should be 'in' or 'out' of the third sector also emerged. In one participant's view, the voluntary and community sector (VCS) was the preferred title in opposition to 'third sector' because the latter term was used to shoe-horn incompatible organisations into one category. 'The third sector is an artificial device', this participant stated 'Where do the co-ops fit in? They're businesses and are they not part of the VCS?' Others recognised some legitimacy in including other types of non-profit organisations, but only in a half-hearted way. As one participant stated, 'It should be VCS-Plus', meaning that cooperatives and social enterprises were on the periphery and had only a semi-legitimate claim to be part of the sector.

The third sector works within an environment where resources (from the public purse, philanthropy, trading, gifts, volunteer time, etc.) are finite. It also operates in a 'social market' within which champions compete to promote their chosen cause or their approach to deal with social problems. Competition within the sector is, therefore, endemic as is the case in the private sector.ⁱⁱⁱ This can produce real difficulties for the sector when government at national, regional or local level wants to talk to someone who can represent its interests holistically. It is not surprising, then, that in the policy seminars there was much argument as to whether representation of interests was possible, or indeed, desirable. One participant argued that intra-sector rivalries explained why it was not possible to achieve a cohesive entity, suggesting that alliances only developed in adverse circumstances: 'We unite around common enemies out of pure self interest.' This comment could be misconstrued as being unduly critical or destructive. However, it mirrors a need in all industrial sectors to establish ground rules to sustain an environment within which they can coexist – sometimes in competition and sometimes cooperatively.

Some participants had more 'idealistic' expectations of cooperation (demanding a kind of 'communion' of values) which, like as not, would be unachievable in other industrial sectors. As one participant commented: 'we only work together when we're facing the abyss. When there's success, the knives are out. We're our own worst enemies in the way that we present ourselves.' This quotation reveals a sentiment that competition is a bad thing - running counter to the morally higher values expected of a sector which charges itself with the task of doing good work. Others focused on a more fundamental human emotion, jealousy, when stating that: 'Even the big second and third tier agencies can't do it... as soon as someone does relatively well it's "look at those bastards over there".'

Many participants felt that the sector was perceived negatively by PSOs because of the apparent lack of structural and political cohesion in the third sector.

This did not, however, deter them from imagining a more cohesive future. Indeed, many felt that the sector was imperilled if it did not take steps to improve its external image. As five participants separately stated: 'we've had a big awakening and have got to get our act together'; 'we forget that we've got to act like everyone else'; 'the sector needs to take itself more seriously in order to participate around the agenda'; 'the sector has to feel confident about itself so that other sectors take it seriously'; and '[the sector has to] work much harder to rebrand itself as more professional, accountable, able to work together and so on.'

Participants recognised that expectations about the level of cohesion that could be achieved in the third sector was unrealistic and sometimes based upon false comparisons with the private or public sectors. As one participant asked: 'So why are we expected to work together if the public sector don't?' When one participant stated that 'We need to get around the fallacy that we need to be united', they were, perhaps, arguing that the prospect of its achievement was a hopeless one on the basis that values could never fully be shared and as a consequence, inherent competition could not be overcome. While some participants saw the prospects of effective representation as unachievable (and even undesirable), others thought that the project of building sustainable structures to represent the sector was worth pursuing. This position was predicated to a large extent on the worry that if the sector as a whole was perceived by PSOs in a negative way, then individual organisations would suffer as a consequence. There was widespread recognition that external impressions of the third sector were undermined by a tendency of members of the sector to argue publicly about 'internal issues'. As one participant stated: 'When we come together we look like a disparate band. Individually we're all good, but collectively, what do we look like?' Or as other participants remarked: 'We must look quite ridiculous to outside agencies because all we do is argue amongst ourselves', and 'The more we debate publicly, the more we show ourselves up'.

Some participants tended to externalise responsibility for intra-sector conflict. As one asked: 'Are we channelled into being as bad as we are? Businesses are different. It's easier to measure where they are – they have simple outputs.' This quotation is revealing in two senses. At one level, it demonstrates an understanding that measuring the 'social value' of the activities of the sector is problematic. As a consequence, when members of the third sector attempt to communicate added social value in a cluttered social market, their arguments come across as value laden, emotive and lacking in substance. At another level, the quotation implicitly positions the third sector as morally superior to the business sector because of its value based rather than monetary based focus.

Lack of a formalised representative structure can simultaneously empower and disempower the sector. In the long term the sector's ability to lever resources and gain a voice at strategic level may be compromised, but in immediate terms, individual organisations in the sector remain free to seize opportunities. It is therefore important to remain critical of the third sector's tendency to project itself as the victim of external forces. From a public sector point of view, TSOs appear to present themselves as doubly demanding – on one hand they seek to maintain their independence, whilst on the other, they make strong claims on public resources.

'They just go round the houses to find the line of least resistance': observance of protocol and professionalism

In the second seminar, only PSOs were invited to discuss the interests of the public sector and relationships with the third sector. Underpinning much of the PSO debate was a strong undercurrent of the perceived lack of 'professionalism' within the third sector. This had an important bearing upon the conclusions drawn by PSOs on the prospects for inter- and intra-sector cooperation. The use of the term professionalism needs briefly to be explored critically at a theoretical level however, because it may be the case that PSOs define the term 'professionalism' in part at least to involve a degree of 'procedural compliance'. This is explicable because local government is a formal bureaucratic organisation with a hierarchical system of control within which non-compliance to procedure results in formal sanctions (see, for example, Flynn 2007, Schofield 2001).

In sociological terms, a professional is generally taken to be a person who has gained entry, through formal examination and accreditation, to a closed occupational group. That group is usually in a position to control the boundaries of activity through the establishment of a relatively autonomous professional association which has the power to discipline its own members. Most importantly, professions gain power through their ownership of the capacity to make sound 'judgement' which is based on 'technical' and/or 'indeterminate knowledge' which is inaccessible to outsiders (Johnson 1972). The ideology of professionalism is also closely associated with notions of autonomy from conventional organisational management systems. As Evetts (2003) notes, few occupations which make claims to be professions actually achieve such levels of autonomy and authority (see also, Elston 1991, Fournier 1999). Professional authority, some argue, has been progressively challenged in recent years:

...in most if not all organizations, the reality of professionalism that is actually envisaged in new and existing occupations includes financial constraints and budgetary devolution; often a reduction in personnel but a work force which is disciplined and more highly trained and credentialised; an enlarged and expanded work role and the need to demonstrate the achievement of externally (and often politically) defined targets; in bureaucratic, managerial and hierarchically organised places of work (Evetts, 2003: 408).

Most of the PSOs in our seminars and interviews were not 'professionals' in this sense, but were well-educated middle or senior managers working in a highly controlled occupational and organisational environment. If members of the newer professions which are based mainly in the public sector are more accepting of the principal of subordination to bureaucratic control and the external imposition of organisational objectives and outcomes, it is likely that they would expect others who work in a similar sphere to conform to such procedural strictures. Certainly, many public sector participants in our pilot study expressed concern about the professionalism *and* capability of people working in the third sector. As one participant stated: 'There is an anxiety about the Third Sector, there's an impression that they are amateurs, they're partial, they're not professional.' This quotation appears to mirror a definition of professionalism which attributes, amongst other things, positive value to 'procedural compliance' and 'professional decorum' in formal relationships.

PSOs' lack of confidence in the professionalism of many TSCs was underpinned by scepticism about the impact of the value systems which shaped the way TSCs work. For example, TSCs were described on an individual level as 'warm

and fuzzy' or 'fluffy', suggesting that on one hand they had positive, well-meaning, liberally oriented value systems. But on the other, it was asserted that they lacked vitality and drive, strategic direction and a businesslike ethos.

Professional decorum was regarded as an important aspect of organisational practice and a strong impression was given that members of the third sector 'behaved badly' when in contact with the public sector. Challenging behaviour tended to fall into two interrelated categories: firstly, a lack of diplomacy and professional etiquette, and secondly, unwillingness or refusal to comply with formal procedures and utilise the correct channels of communication. Consequently, PSOs voiced concerns about the tendency for people in the third sector to adopt combative and competitive behaviour which gave the appearance that members of the sector were invariably 'at each others' throats'. This had serious consequences for the way that PSOs perceived the sector: as one participant stated: 'Because [TSCs] so openly criticise each other it leads [us] to think that they are not professional, that they have low standards'.

To explain this, PSOs tended to make assumptions about anti-hierarchical and anti-elitist value systems which may operate in the third sector which could lead to a lack of attention, interest or belief in procedural formality. As one participant stated: [TSCs are] 'able to behave really badly because there's nothing to hold them back – [PSOs] would be "on the carpet" if they behaved in a similar way.' Lack of attention to, or cooperation with, public sector protocol and procedure was a source of upset for PSOs – especially so when TSCs knowingly avoided formal procedural routes to achieve their objectives:

'[TSCs] don't understand or recognise public sector protocols and hierarchy – they'll always take what they see as the quickest and most effective route.'

[They] 'choose to bypass meetings because they'll get what they want.'

[They] 'bring in the big guns to get what they want [such as the Mayor or MP, or Local Authority cabinet member].'

'Their "bugger that" attitude to procedures is justified by "their cause".'

A lack of binding structural and regulatory cohesion in the third sector may allow champions to resist and undermine public-sector protocol in powerful ways. As Flyvbjerg argues: 'Special interest groups have substantially more freedom to use and to benefit from the full gamut of instruments in naked power play than do democratically elected government' (1998: 324).

The unwillingness of some TSCs to step in line with public sector procedure and protocol may damage relationships with PSOs by undermining potential for mutual trust and produce interpersonal animosity. But the fact that PSOs in the pilot study generally agreed that such practices occurred does not indicate the extent to which these practices are regularised, normalised or unexceptional. It could be the case that such notions have been produced by the circulation of exceptional stories rather than every-day occurrences. At present, there is no concrete evidence to throw light on this issue, and it is important to recognise the need to explore how representative such examples are and what damage, if any, they cause to long-term relationships. More importantly, it is important to explore the extent to which PSOs take advantage of the possibility that TSCs may try to work around procedural

barriers rather than being constrained by them – and as a consequence erect stronger cultural or procedural barriers to protect public sector interests.

Conclusions and Discussion

This article has tentatively explored the extent to which TSCs perceive themselves and are perceived by PSOs as 'troublesome' to the public sector at a local level. At a conceptual level, we have argued that many of the difficulties surrounding effective inter-sector working derive from a fundamental power imbalance in the way that priorities are set and funding is distributed at the local level. Consequently, ideas surrounding partnership working are almost inevitably based on the presumption that the third sector is politically and economically subordinate to the public sector. We have shown, albeit tentatively, that the perception of troublesomeness of TSCs arises from three principal factors which appear to be loosely evidenced by public-sector commentators. Firstly, that there is a strong (and shared) perception that there are real difficulties in communicating effectively with the sector because of its resistance to or lack of ability to represent its interests effectively. Secondly, that there is a perception that many TSCs are unwilling to conform wholeheartedly with public sector protocol which leads to accusations of unprofessional practice. Thirdly that PSOs and TSCs share a perception that the capability of third sector organisations to work successfully in partnership with each other or in partnership with the public sector is in doubt. These findings are not particularly surprising or new, but through our preliminary research we have identified potential explanations for why such attitudes and beliefs are produced and reproduced over time.

What is *not* clear from this analysis is whether such commonly held views reflect everyday experience of PSOs and TSCs, or that they emanate from just a few good examples of difficulties which produce stories that circulate within and between sectors. At a deeper level of analysis, we ask whether or not the cultural placement of third-sector champions as troublesome could be a convenient device for those PSOs who are reticent about yielding control over the delivery of public sector services to the third sector. At the end of the seminar with PSOs, we asked all participants independently to write down five ways that the TSCs could improve relationships with the public sector. Three top recommendations were widely shared and took shape in the following way:

- (1) that TSCs need to raise their awareness of how public-sector processes and hierarchies work in order to build better relationships and benefit from working collectively;
- (2) that TSCs need to improve their negotiation skills and recognise the appropriate fora to address their concerns;
- (3) TSCs need to recognise the advantages of intra-sector partnership working (to avoid unnecessary competition, innovation overload, wasted effort, etc.) and establish formal structures which adequately represent sector interests.

These observations are particularly revealing and offer insights into the intractability of effective partnership working when the public sector has responsibility for the distribution of funding to achieve objectives (even if its strategic allocation is heavily constrained by government regulation). These findings lend some support, at least at the local level, to Carmel and Harlock's (2008) assertion that the third sector is

positioned as a 'governable terrain' rather than a partner in the governance process. We do not need to over labour the point that all of the above recommendations are extremely difficult to achieve in a sector with diverse interests, a wide range of organisational sizes and structures, and with different legal forms and patterns of governance. In a sense these three recommendations probably reveal more about what is *not* possible than *is* possible in cementing positive relationships between the sectors. Beneath the surface of these recommendations are many unknowns which need to be explored. In the remainder of this conclusion, we set out an agenda of some key research priorities which may help to get a better understanding of the potential of the sector to contribute to the development of sustainable communities through partnership with the public sector

Researching issues surrounding 'professionalism'

As suggested in this article, TSCs are variously described as 'well meaning amateurs', and as 'troublesome and combative'. Perhaps TSCs can be troublesome in some ways. In the third sector press stories abound public fall-outs, about the very high levels of industrial tribunals, and about the apparent inability of infrastructure organisations to work together to represent sector interests. If some TSCs do not comply wholeheartedly with public sector protocols and processes (and because *some* may use other means at their disposal to achieve what they want) this does not mean that there are no prospects for effective partnership. Researchers need to explore the extent to which structural conditions within which the third sector work produces conflicts and also need to find out if the sector attracts people who resist compliance. While it is probably a mixture of both, researchers need to be able to discriminate between 'endemic' characteristics of the sector and the ideological 'fluff' which appears to surround it. Without that analysis, observers at government level may continue to issue bland platitudes about cooperative outcomes, without paying much attention to the prospects of achieving it.

A second area of research which requires urgent attention is to explore what motivates TSCs in order to understand why procedural compliance is difficult for some individuals or some types of organisations. It may be the case that TSCs generally want to be innovative and do things their own way. Perhaps some are resistant to learning from others or sharing their knowledge and understanding with others. For some, it may be the *journey* that motivates them rather than the outcomes, which might be described as an 'against all odds, we survive' mind set. While for others *being* a champion may be the motivation; knowing the right people, politicking at the right meetings, having their say. Nobody knows if these oft-quoted characteristics are just myths, or at best apply to the very few – or that these are more general characteristics which draw people into the sector. We need to remember, though, that there is a lot of career mobility across the boundaries of the public, private and third sectors (see Lewis 2008). But we do not know how professional and occupational identities and organisational cultural practices travel between sectors.

Policy makers often implicitly assert that if TSCs were 'more like' the people who run small and medium sized enterprises (SMEs) then the third sector would operate more successfully. But there is no comparative research available on this topic yet; and further, where is the evidence to state that leaders of SMEs are paragons of procedural virtue, wholly fixated on organisational efficiency or driven

solely by the profit motive? It could be that people in small business are resistant to the good advice of accountants and business advisors because, very often, it is the development and delivery of product or service which makes them want to get to work in the morning (Chapman 1989). Or, as may be the case in the third sector, many people who run micro businesses or SMEs do so because they seek to escape from corporate business or public sector organisations – their prime motive is working for themselves. This issue needs to be explored comparatively.

Researching the limits of representation

Third sector organisations work in a crowded social market and the prevalence of intra-sector competition which necessarily follows can produce mistrust. This, in turn, may limit opportunities for cooperative work and undermine effective representation. Researchers need to explore the importance of trust because it may be the case that many TSCs demand *too much* of their representative bodies on the grounds that organisations which ‘do good work’ should transplant such values into the arena of sector representation. Conversely, it may be that sector wellbeing is simply at the mercy of more powerful external forces. Researchers need to find out if this cocktail of strongly held values, competition over resources and externally imposed structural constraints is of such complexity that effective representation is a pipe dream. Organisational diversity in the third sector is self-evident, and this clearly makes the issue of representation difficult, although it is unlikely that this is the *only* reason (or even the *main* reason) why representation is difficult. Our limited evidence suggests that TSCs *think* that it is ‘easier’ for the business sector to represent itself because it has a common set of interests in establishing stable market conditions within which it works. But we have no idea if this is the case or not, so this issue also lends itself particularly well to comparative research analysis.

Researching intra- and inter-sector partnerships

Research attention needs to be directed to the way that the private, public and third sector interact in order to explore the ‘unrecognised’, ‘unsaid’ and ‘unknown’ aspects of inter-sector relationships. This is politically sensitive work because PSOs may be reticent about exposing themselves to such scrutiny. Nevertheless, it is important to explore a number of key issues surrounding the power relationships between the sectors. For example: do commissioners have different expectations about private and third sector organisations – leading to a presumption that TSOs should provide added value in a way that private companies are not?

As important is the need to explore the nature of interaction between the sectors. If relationships can be combative, it is necessary to ask what role PSOs play in making relationships difficult. This might range from more or less transparent manipulation of the third sector by asking them to achieve things that PSOs suspect cannot reasonably be done – so as to allow the public sector to ‘wash its hands’ with them. It is evident from our preliminary exploration that PSOs critical analyses tend to position the third sector in problematic terms, but do not evaluate their own practices through the same critical lens. We are now aware that this could partly be a product of the approach we adopted in this preliminary research project - which is an important finding in itself which has informed subsequent work on the conceptualisation of the third sector by ‘outsiders’ (see Chapman *et al.* 2009).

It is important, in conclusion, to recognise that the 'troublesomeness' of TSCs to each other, to PSOs or to government should not be conceptualised as a negative phenomena or as one which TSCs themselves would want to challenge. It is likely that many TSCs work in the sector because they want to choose to pursue social causes which interest them, that they want challenge authority and convention, that they want to do things differently, and perhaps most importantly, that they cherish their independence in achieving their objectives. If this is so, then setting strategic objectives to 'incorporate' aspects of third sector activity into the established organisational cultural practices or professional and occupational practices of the public sector are likely to be over ambitious.

The incoming Conservative/Liberal Democrat government coalition had not yet, at the time of writing, determined its policies for the third sector over the next few years. Analysis of pre-election publications indicate that both parties remain committed in principle to the idea of collaborative government. In the case of the Conservative Party, significant emphasis was stressed on the importance of strengthening the compact between government and the third sector (or 'first sector' as defined by party leader David Cameron, now Prime Minister). As the Conservative Party's Green Paper, *A Stronger Society: voluntary action in the 21st Century*, states: 'Yet too often when the [previous] Government has spoken of partnership with the voluntary sector, it has regarded itself as the senior partner – setting the agenda and directing the relationship.' (2008:56). However, it's commitment to strengthen the compact at local level remained decidedly flaky:

In partnership with local government and the voluntary sector we will develop a Compact Gold Standard: a package of practical measures – such as model contracts – aimed at designing Compact compliance into the every day workings of the public sector. It will be up to individual local authorities to decide whether or not to adopt the Gold Standard' (2008: 76).

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ⁱ The Northern Rock Foundation Third Sector Trends study will consider the differences between national, regional and local organisations using quantitative and qualitative methods of data collection (see Chapman *et al.* 2009). The differences and similarities in the contribution of national and local charities surely needs to be addressed in future, not least because our recent study in North Yorkshire shows that almost half of the TSOs studied were affiliates of larger TSOs (Chapman and Crow, 2008).

ⁱⁱ The government's definition of the third sector is: '...non-governmental organisations which are value-driven and which principally reinvest their surpluses to further social, environmental or cultural objectives. It includes voluntary and community organizations, charities, social enterprises and mutuals' (HM Treasury 2006: 5-6).