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**Exploring the tensions between  
organisational ethos and  
stakeholder demand: A case  
study of a community ‘arts and  
health’ social enterprise**

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Thesis submitted for the degree of Doctor of  
Philosophy

Department of Geography  
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April 2014

## **Abstract**

This thesis explores the tensions between the ethos and values of third sector organisations and the environment within which they operate. Many third sector organisations have an innovative, flexible, and person-centred way of working, which often results in them being better placed than the state to provide informal services in the field of health and social care. However, a drive towards greater efficiency has compelled organisations to adopt business principles, with the concept of the ‘social enterprise’ being promoted. Organisations are also increasingly subject to regulatory requirements, and are often required to provide compelling evidence that they tangibly benefit the communities that they serve. Critics have argued that this increased statutory influence has prevented third sector organisations from engaging with their communities in an innovative and effective manner.

Arts and health projects face particular challenges when responding to statutory pressures. Many projects focus on ‘softer’ outcomes such as improvements to self esteem and confidence, which can be at odds with the kind of evidence demanded by the state. In addition, third sector organisations, including the majority of social enterprises, are largely reliant upon statutory sources of income. They are therefore susceptible to ‘institutional isomorphism’, whereby their structures and procedures are influenced in the direction of dominant stakeholders. While the adoption of social enterprise activity can allow organisations to diversify their sources of income, thereby minimising the possibility of dependency on particular stakeholders, this can create tensions and challenges of its own. Organisations may focus on maximising their surplus, or earned income, to the detriment of their social goals.

Drawing on data obtained from an ethnographic case study of a small community-focussed ‘arts and health’ organisation that self-identified as a social enterprise, this thesis explores how the ethos of third sector organisations manifests

itself through their day to day workings, discussing the mechanisms by which ethos can be threatened, prioritised, or altered. Important examples of organisational tension that emerged during the period of fieldwork were explored in depth.

This thesis utilises a number of concepts and theories, including Foucauldian governmentality, institutional theory, organisational legitimacy, and impression management, to explain the nature of the tensions organisations may face, why these tensions can threaten the third sector ethos, and the ways by which organisations can manage these tensions strategically. This research argues that rather than acquiesce to dominant institutional pressures, organisations often have the means to resist, rework, or negotiate any external demands, thereby maximising the opportunities available to them.

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## **Declaration**

This thesis is the result of my own work. The material included has not previously been submitted for a degree at this or any other university.

Word count (excluding bibliography and appendices): 99,843.

## **Statement of Copyright**

The copyright of this thesis rests with the author. No quotation from it should be published without prior written consent, and any information derived from it should be acknowledged.

## Portions of this thesis have previously appeared in the following publications:

Swan, P. (2013), 'Promoting social inclusion through community arts', *Mental Health and Social Inclusion*, 17 (1), 19-26.

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## **Chapter 1: Introduction**

### **1.1: Introduction**

Third sector organisations are often claimed to be in a better position than the state to provide informal social care support for those living in the community (Curtis et al, 2009), based on their flexibility, independence, and ability to respond effectively to local need (OTS, 2006). However, they also face a number of challenges, being required to balance a number of competing and constantly changing demands from their various stakeholders (McKinney and Kahn, 2004: 4). Institutional theorists have highlighted the tendency of third sector organisations to demonstrate ‘institutional isomorphism’, changing in form, function, and ethos in the direction of dominant funders and discourses (DiMaggio and Powell, 1983). This can, in many instances, result in organisations moving away from their original values in an attempt to maintain legitimacy (Jones, 2007; Spear et al, 2007). At the same time, organisations are capable of exercising agency when faced with external demands, most notably through the use of ‘impression management’ techniques (Goffman, 1959; Manning, 2008).

This thesis explores the tensions between the ethos and values of third sector organisations and the environment within which they operate, investigating how organisations can absorb, resist and negotiate any challenges to their way of working. It draws upon a case study of ‘Artspace’<sup>1</sup>, a small, community-based ‘arts and health’ organisation that self-identifies as a social enterprise. The thesis is interdisciplinary in nature, drawing upon ideas, concepts and theories from social, health, and rural geographies, the medical humanities, economics (largely pertaining to social enterprise), organisational behaviour, the field of arts and health, and the notion of ‘wellbeing’. It is also strongly grounded in contemporary debates concerning the recent global recession, contemporary political discourse, and calls for the third sector to play an increased role in providing health and social care support to communities.

Two main, largely separate bodies of literature are drawn upon in this study. The first grounds the study in the wider political and economic landscape. It discusses social enterprise and the third sector in relation to the changing relationship between the state and civil society. The second major body of literature concerns arts and health

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<sup>1</sup> The name of the organisation, the individuals involved, and the town in which it was based are all pseudonyms.

as a practice, focussing on its assumptions, history, and evidence base. This field is expanded by bringing in research concerned with social capital, therapeutic landscape, and spaces of care. Both bodies of literature are linked by the concepts of political discourse and Foucauldian governmentality, concerned with the state's attempts to control and shape the third sector through subtle techniques of governance (Rose, 1999).

This chapter briefly introduces the conceptual and theoretical foundations of the study, which will be expanded in Chapter two and developed through the empirical research. It highlights the importance of this research, briefly discussing the key themes and findings identified. It also provides an outline of the thesis.

## **1.2: Background to the Research**

### **1.2.1: Literature Overview**

In recent years there has been a shift in the relationship between the state and the third sector, with statutory funding moving from a system of grants towards contracts. Coupled with this strategy to increase efficiency and 'value for money' has been increased state intervention through the imposition of regulatory frameworks and performance targets (Milbourne, 2009). To manage these challenges, many organisations have attempted to diversify their income sources, with the 'social enterprise' model becoming increasingly popular.

Social enterprises are "jointly prosocially and financially motivated" (Dart, 2004b: 413), and are often conceptualised as hybrid organisations, located at a midpoint between 'for profit' companies, charities, and state-run services (Teasdale, 2010a). They emerged in response to market failure, the criticism and decline of statutory run services, and the increasing competition within the third sector as a consequence of decreased availability of donations (Peattie and Morley, 2008).

While the adoption of social enterprise activity is often a response to institutional pressures, it can also bring its own challenges. Organisations may focus on maximising economic gains to the detriment of their beneficiaries. Likewise, in the majority of cases, social enterprise activity only supplements, rather than replaces, statutory income (Bennett and Savani, 2011; Besel et al, 2011), with the majority of social enterprises facing similar external accountability demands to third sector organisations in general (Phillips, 2006).



Third sector organisations may have different opinions as to what constitutes a positive outcome for their beneficiaries. For example, they may consider improvements to self-esteem, confidence, or even creative ability to be important. Local authorities and central government, on the other hand, may be more desirous to see outcomes that result in savings to the welfare bill. This may lead to projects, which, for example, show an increase in the number of beneficiaries progressing into paid employment, being favoured over those with less tangible outcomes (Jermyn, 2001). In addition, organisations may face challenges when attempting to obtain evidence of their outcomes. Conducting rigorous and detailed evaluation may be potentially detrimental to the ‘therapeutic environment’ and ‘space of care’ that third sector organisations often seek to provide (Thomson et al, 2004).

Third sector organisations must therefore balance their own ethos and way of working with a variety of additional demands. Some organisations may pursue funding by mirroring the changing demands of the state, resulting in a loss of independence, whereby they become part of the statutory sector in all but name (DiMaggio and Powell, 1983). Other organisations may be too rigid in attempting to maintain their ethos, thereby facing the risk of extinction as funding becomes almost impossible to obtain (Ospina et al, 2002). The majority of third sector organisations appear to lie between these two extremes, seeking to avoid becoming reliant on particular stakeholders, whilst also remaining adaptable enough to ensure that they do not limit their eligibility for funding.

### 1.2.2: Importance of this Research

The thesis presents an exploration, through an empirical case study, of how third sector organisations can negotiate with, resist, influence, and be influenced by other organisations, their beneficiaries, and wider political discourse and rhetoric. While this research contributes to the literature on social enterprises and third sector organisations, it also has broader implications in terms of explaining and rationalising the balancing act between various demands which all organisations, whether private or public, face over the course of their existence.

This research contributes to the literature in a number of areas, providing insight into how third sector organisations can respond to financial challenges, how organisational change can impact upon their ethos and values, the strategies organisations can draw upon to maintain legitimacy with stakeholders, and the

importance of the social entrepreneur, or an organisation's founder, to their ethos and development.

### *Response to Financial Challenges*

A scarcity of external funding has compelled many third sector organisations, including those that do not self-identify as social enterprises, to diversify their sources of income and formalise their internal structures (Carmel and Harlock, 2008). Despite this, there is considered to be limited research into the “factors affecting the success or failure of voluntary organisations’ attempts to utilise social enterprise models” (McBrearty, 2007: 68). This study occurred at a challenging time for third sector organisations, many of which experienced cuts in their income in the wake of the financial crisis and the subsequent austerity measures imposed by the previous Labour government (and continued by the current Conservative-Liberal Democrat coalition). Research thus provided a valuable perspective into how small third sector organisations respond to reductions in their income through social enterprise activity. It investigated how organisations can manage this transition both reactively and strategically, and looked at how the adoption of income-generating activities can impact upon their values and working practice.

Haugh (2005) believes that research into social enterprises should focus on how they can exploit opportunity in the form of resources and local networks, and the strategies that can be drawn upon to ensure success. There have also been few studies of the processes involved in obtaining statutory income, and their impact upon the behaviour and management of organisations (MacMillan, 2007).

### *Impact of Change upon Ethos and Values*

The wider impact of organisational restructuring and the imposition of managerial practices from the private sector were also investigated in this study, with a range of internal stakeholders being interviewed to determine how organisational change had affected Artspace. Oliver (1991) believed that in-depth research should be conducted with organisations to determine how compliance with external demands can impact upon their legitimacy and values. While there has been considerable work on formal, organisational procedures, there has been less emphasis on the notion of ‘ethos’ and ‘organisational values’, and how they are prioritised, maintained, and negotiated (Donnelly, 2000; Westall, 2009).

### *Maintaining Legitimacy*

A variety of stakeholders, including the state, partner organisations, interest groups, and the beneficiaries of an organisation impose a number of demands upon organisations, which may be regulatory in nature, or concerned with particular expectations (Oliver, 1991). An organisation's stakeholders can therefore confer or withhold resources and legitimacy.

This research investigates how third sector organisations can pursue both funding and legitimacy through manipulation of the external environment (Mason et al, 2007). Manning (2008) believes that Goffman's (1956; 1959) theory of impression management has been underutilised in the study of organisations. He argues that it is one strategy organisations can use to preserve their way of working and maximise any opportunities. In addition, given that an organisation's beneficiaries are a major source of legitimacy, this study investigated how such techniques of negotiation can be used by an organisation when interacting with any internal stakeholders.

### *The Importance of the Social Entrepreneur*

While this project was primarily an organisational study, it also investigated the case study organisation from the perspective of its founder, paying attention to her emotional connections, the reasons why she chose to become more detached over time, and the consequences of this decision. The finished organisation should be seen as the result of a complex series of interactions between the visions of its founders and its particular operating structure (Hynes, 2009).

In essence, the concept of the social entrepreneur is based on the objectives and beliefs of the individual, as opposed to the nature of the organisation they were responsible for creating (Bridge et al, 2009). Social enterprise may not be able to be explained or understood in a business sense, but may have to be located in a wider social context, given that it is difficult to detach the agent, or the social entrepreneur, from the wider structure, or community in which he or she works (Bridge et al, 2009; Mair and Marti, 2006). As well as considering the characteristics of the entrepreneur, or the finished, tangible social enterprise, research investigated social enterprise as a process. Hynes (2009) argues that organisational growth should be investigated with reference to the specific characteristics of the founder.

### 1.2.3: Introduction to the Study

#### *Artspace*

This research project was an ESRC (Economic and Social Research Council) CASE studentship funded as part of a Capacity Building Cluster in Social Enterprise. It involved an ethnographic case study of 'Artspace', a community-based 'arts and health' charity located in the small market town of Moughton in Northern England. Since its humble beginnings in a rented building, containing little more than a woodstove and a table, the organisation has expanded, formalised, and professionalised, offering a wide range of services to the community. In recent years Artspace undertook an organisational review which sought to tighten up various aspects of the organisation and investigate ways in which income could be diversified.

#### *An Ethnographic Study*

I, the sole researcher, relocated to Moughton and participated in all aspects of the organisation for over twelve months, interacting with and assisting participants, core staff and practitioners on a daily basis. An ethnographic approach was adopted which sought to make sense of the day to day workings of people within the organisation through immersion within it (Crang and Cook, 2007; Robben and Sluka, 2007; Smith, 1998). While I had certain pre-conceived ideas as to what I would encounter within the field, I largely considered research to be a question-asking process, where new ideas and insights emerged and were further explored as fieldwork progressed (Crang and Cook, 2007). Research was largely based upon participant observation and semi-structured interviews, though I was also open to all forms of data including secondary documents and photos.

#### *Concepts and theories used*

Research explored and utilised a number of concepts and theories, including social capital, therapeutic landscape, and social inclusion. However, as it sought to explore how third sector organisations and social enterprises were capable of maintaining their own ethos while responding to both external and internal demands, theories pertaining to both the problem (the demands) and the solution (the strategies) were emphasised throughout this thesis, being introduced alongside the literature, as well as expanded upon in the empirical chapters. Other theories and concepts were

applicable only to certain sections of this thesis, and as such, were introduced in the specific chapters where relevant.

Institutional theory can explain how organisations often adopt dominant practices and procedures from the institutional environment to gain resources and legitimacy (Meyer and Rowan, 1977). Institutional theory does not consider organisations as independent and purposive entities, but as completely embedded in their environments (Lim, 2011). However, institutional theory often does not account for why particular outcomes or processes become institutionalised in the first instance. Foucault's theory of governmentality, or the "ensemble formed by the institutions, procedures, analyses and reflections, the calculations and tactics, that allow the exercise of this very specific albeit complex form of power" (Foucault, 1979: 20), can help explain the rationale behind the state's desire to control all aspects of society and the techniques it uses to achieve its objectives.

This thesis also draws upon resource dependency theory, which focuses on how an organisation's behaviour is shaped by the availability of resources (Pfeffer and Salancik, 1978). This theory may better explain the ability of third sector organisations to actively negotiate with dominant stakeholders. While institutional theory traditionally emphasised the power of the external environment, resource dependency theory focussed on the power of the organisation itself, and its potential to resist, negotiate, or even actively manipulate institutional pressures (Oliver, 1991).

The concept of legitimacy is frequently drawn upon in this thesis. To a third sector organisation, legitimacy is a resource bestowed upon it by external stakeholders and actors, based on it conducting itself in ways consistent with dominant values, beliefs and expectations (Suchman, 1995). As legitimate organisations generally receive endorsement and support from stakeholders, legitimacy can be considered a resource that organisations seek to maximise where possible. However, the fact that stakeholders have different ideas as to what constitutes legitimacy is partly the reason why organisations experience challenges and tensions in their day to day existence.

Despite this, organisations will actively attempt to minimise tensions. Impression management is one particular strategy used by organisations to control how they are perceived by stakeholders (Leary and Kowalski, 1990). Successful use of impression management techniques can reduce the likelihood of conflict with stakeholders, thereby allowing an organisation to work in the way that it considers most suitable whilst maintaining its legitimacy.

### **1.3: Key Themes and Findings**

It became apparent early on in my research that Artspace was being pulled in four main directions, a situation common to many charities and social enterprises. These were:

- *Maintaining external legitimacy* (to funders and other organisations). Third sector organisations endeavour to seek and maintain legitimacy with funders and other organisations that they work in partnership with (Borzaga and Solari, 2001). Maintaining positive relationships with a variety of stakeholders can be highly beneficial, providing an organisation with a range of funding and networking opportunities (Edwards and Hulme, 1996). My research agrees with the assertion that organisations attempt to maintain both stability and legitimacy with as many different external stakeholders where possible (Oliver, 1991).
- *Maintaining internal legitimacy* (to beneficiaries, core staff, practitioners and volunteers). Organisations with high levels of internal legitimacy are viewed in a favourable light by service users and employees, and subsequently experience a low turnover of both these groups (Brown, 1997). Satisfied staff and beneficiaries are likely to recommend an organisation to others or emphasise its positive qualities. On the other hand, low levels of internal legitimacy can result in poor employee satisfaction, or in a decrease in the number of attendees, with the organisation thus developing a negative reputation. Given that third sector employees typically have a strong sense of obligation to help others (Field and Johnson, 1993), it is unlikely that they would deliberately make any decisions that threaten accessibility or legitimacy from the perspective of any internal stakeholders unless absolutely necessary.
- *Survival*. There are various costs associated with running a charity, from the expense of maintaining a building, through to paying staff wages. Survival is not only dependent on an organisation raising enough money, but also on having employees that can realise an organisation's goals, and by offering a

service that is ‘needed’ in the community (O’Regan, 2001; Pfeffer and Salancik, 1978).

- *Maintenance of ethos.* Most charities were created with a specific ethos in mind; for instance, being based around the way they work with their beneficiaries or around particular goals (Cheverton, 2007). It is inevitable that the ethos of a charity will evolve to some extent as it adapts to outside pressures, which can be either desirable or undesirable depending on an organisation’s overall goals. Some organisations may strategically revise their ethos in response to societal changes (Hannigan and Kueneman, 1977), whereas others may feel pressurised to do so (DiMaggio and Powell, 1983).

While third sector organisations are capable of balancing these four aims, they must utilise a range of strategies to be able to do so successfully, which include compliance, negotiation, adaptation, and resistance. The fact that organisations can and do draw upon such strategies, rather than simply comply with the desires of dominant funders, suggests that the concept of ‘institutional isomorphism’ can only partially explain the relationship between third sector organisations and their external environments (Oliver, 1991).

#### **1.4: Outline of the Thesis**

The following chapter reviews the existing literature on the third sector, social enterprises, and arts and health, with reference to the contested concept of ‘wellbeing’. It also discusses the changing relationship between the state and civil society, introducing the reader to the concept of governance, or the specific strategies utilised by the state to manage society. However, given the interdisciplinary nature of this thesis, the literature review is partial, and some of the minor theories and concepts are discussed in shorter sections within each of the empirical chapters.

Chapter 3 describes and justifies the research design and the specific methods utilised in this study. An ethnographic case study design was selected for several reasons. It enabled me to gain a greater understanding of the often ‘taken for granted’ behaviours that exist within a comparatively small third sector organisation. It also allowed for an in-depth exploration of issues within the organisation over a period of time, thereby providing a longitudinal element to research. Despite the specific nature

of a case study approach, the findings of this project are of value to other third sector organisations, both in Britain and further afield, that have undergone a renegotiation in their relationship with the state as the result of a shift towards neoliberal forms of governance.

Chapter 4 introduces the history, location, and development of the case study organisation. It also discusses its ethos, particularly with reference to how its founder and employees understand the arts and creativity. Chapters 5 through 8 address the overarching aim of the thesis through case studies of Artspace's response to various challenges. Chapter 5 discusses how restructuring and formalisation can impact, both positively and negatively, upon an organisation's employees, beneficiaries, and working practice. Chapter 6 investigates the ways by which organisations can manage external demands for quantified monitoring and evaluation of its beneficiaries. Chapter 7 looks at how organisations can maintain and negotiate legitimacy with their beneficiaries, with reference to the challenges associated with the introduction of beneficiary fees. Chapter 8 details the challenges of accessibility that organisations may face, critically examining both the advantages and disadvantages of a 'caring' approach to working with beneficiaries.

Chapter 9 attempts to pull together common themes from the empirical chapters. Larger points are made about the innovative strategies available to third sector organisations when negotiating internal and external challenges, and what this means in terms of their relationship with the state and other stakeholders. Chapter 10 concludes the thesis by providing an overall summary of the study and any key findings. It also offers some personal reflections, and suggests wider policy recommendations. Finally, it discusses the contributions to the wider body of literature, and highlights potential areas for future research.



## **Chapter 2: Research Context**

### **2.1: Introduction**

This chapter will provide a context to my research, discuss the relevant literature, and introduce some of the key concepts and theories which I use in this thesis. Firstly, I will provide a political and economic overview of social enterprises and third sector organisations through a discussion of the history of the third sector, its changing relationship with the state, and the factors behind the emergence of social enterprise. I will then introduce the characteristics of social enterprises, and discuss the challenges inherent in defining what is considered to be a broad and loose concept. The benefits and challenges to organisations having both economic and social priorities are discussed, before I talk about the relationship between the state, the market, and the third sector, and how organisations attempt to maintain ‘legitimacy’ with their various stakeholders.

I will then discuss the social value of social enterprises and third sector organisations, before discussing how ‘arts and health’ projects are a specific type of organisation with a strong focus on outcomes often considered to be soft or intangible in nature. Following this, I will introduce and discuss the concept of wellbeing, briefly touching on how it is conceptualised and measured in different ways by both the state and the third sector.

Finally, I introduce the Foucauldian concept of disciplinary governmentality, which is concerned with the state’s attempts to control, shape, and guide human society. Governmentality is responsible for discourse as to what is normal and acceptable, be it associated with the ‘correct’ form an organisation should take, or how ‘wellbeing’ is defined and conceptualised. However, these governing discourses can also be challenged, negotiated, or manipulated, and I touch upon some of the strategies third sector organisations can potentially draw upon to manage their relationship with powerful stakeholders. This section unites the two, largely separate bodies of literature, concerning third sector organisations and their relationship with the state on the one hand, and the literature on arts, health, wellbeing, and social value on the other.

### **2.2: Political and Economic Overview**

The third sector, which traditionally provided health and social care services prior to the advent of a universal welfare state (e.g. Kendall, 2005; Mair and Marti,

2006), has, in recent years, experienced resurgence, with organisations increasingly providing services that were once largely provided by the government (Bridge et al, 2009; Evers and Laville, 2004). Trends in the structure and role of the third sector are related to changing political discourse – at times, the state has sought to align itself with the wants and needs of the third sector, rather than portray itself as having a separate agenda (Brandsen and Pestoff, 2006; Harris, 2010; Morison, 2000).

The ‘social enterprise’ model has become increasingly popular, and was considered to have a number of key advantages over organisations from all three sectors (e.g. Amin et al, 2002; Billis, 2010a; Dart, 2004b). Social enterprises have attained high levels of popularity, both amongst the political elite and the general public, being capable of responding to unmet need in an innovative and cost-effective way (e.g. Amin et al, 2002; Dart, 2004b; Simmons, 2008). However, while they are often seen as a solution or ‘panacea’ to complex social issues (Sepulveda, 2009), social enterprises have their own issues, often related to the fact that they hold multiple and often contradictory goals (e.g. Defourny and Nyssens, 2006).

### *Terminology*

The third sector encompasses those organisations that undertake activity that is non-governmental and which doesn’t seek to make a profit. Although the terms ‘voluntary sector’, ‘community sector’, the ‘non-profit sector’, or the anglicised equivalent ‘not for profit sector’ are often used interchangeably with the term ‘third sector’, each of these terms has subtle but important differences from the concept of ‘social enterprise’ (Cook, 2010), used to describe those organisations that raise income through commercial activity which is then reinvested in their social goals (e.g. DTI, 2002). For example, in contrast to social enterprises, voluntary and community sector organisations are not required to have a commercial or income-generating aspect, and can theoretically exist without any funding at all. Likewise, ‘nonprofit’ or ‘not for profit’ organisations differ from social enterprises in several ways. Social enterprises must serve the community or a particular disadvantaged group, whereas there are no such requirements for nonprofits. In addition, nonprofits do not allow for the distribution of any surplus, thereby excluding co-operatives, which are a particular form of social enterprise, from this definition (Defourny, 2001).

The term ‘third sector’ is an umbrella term for those organisations which are neither part of the private or public sectors, and includes organisations that differ

widely in terms of structure, scope, and remit<sup>2</sup>. It includes social enterprises with a strong business focus, generating all their funding through trading, through to those grassroots organisations staffed entirely by volunteers. In most cases, however, third sector organisations are value driven, are non-governmental in nature, and have social, cultural, or environmental objectives (Ipsos MORI, 2009).

However, as well as being accused of being both ‘euro-centric’ or ‘western-centric’ (Lewis, 2001), the terms ‘third sector’, and more specifically, ‘civil society’, are contested even within the United Kingdom. In 2010, the Office of the Third Sector was renamed the Office of Civil Society by the Conservative-Liberal Democrat Coalition. Alcock (2010: 5) believes that the concept of ‘civil society’ has a ‘longer and wider pedigree’, and could therefore include the concept of the ‘Big Society’<sup>3</sup>. While the term ‘third sector’ enables the classification of organisations, ‘civil society’, on the other hand, is a separate theoretical concept, with a focus on a wider space of independent social action (Alcock, 2010). Despite the issues associated with these terms, in this thesis I refer to the ‘third sector’ when discussing specific organisational types that are neither part of the statutory or private sectors.

### 2.2.1: The Emergence and Growth of the Third Sector

The role of the third sector in general has greatly changed over the past 100 years. Prior to the 1940s, many essential health and welfare services were predominantly provided by voluntary or charitable organisations (Dickinson et al, 2012; Kendall, 2005). The sparse and unequal coverage of such services was one of the main driving forces behind the state taking over as their main provider (Bridge et al, 2009). However, by the end of the 20<sup>th</sup> century, the notion of a strong welfare state funded by taxation was becoming obsolete. Furthermore, the state was considered to be overly bureaucratic and centralised, and was accused of helping to foster dependency (Amin et al, 2002; Billis, 2010a; Bridge et al, 2009). Adaptable and flexible voluntary organisations were better placed to meet the needs of marginalised or vulnerable individuals (Bridge et al, 2009; Morison, 2000). A shift towards a mixed

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<sup>2</sup> Co-operatives have characteristics common to private businesses, typically obtaining most of their income through sales and services (Bridge et al, 2009).

<sup>3</sup> The Big Society was the flagship policy of the UK Conservative Party’s 2010 general election manifesto. It sought to encourage and enable people to play a more active role in society by transferring powers from the government to local communities.

economy of care occurred, within which non-statutory organisations played an increasing role (Laratta, 2009b).

Policy analysts were of the opinion that an effective delivery of services by third sector organisations could only be solved through cross-sector cooperation (Brandsen and Pestoff, 2006). The prospect of a change in government led both the voluntary sector and the opposition Labour Party to publish documents stating their joint wish for a relationship based upon a partnership of equals (Laratta, 2009b). The Deakin report was published by the National Council for Voluntary Organisations (NCVO, 1996) while Labour published a document entitled “Building the Future Together”. Both of these documents outlined the ways that the state and civil society could assist with the delivery of essential services (Laratta, 2009b).

### *The Compact*

After gaining power in 1997, Labour worked in partnership with the voluntary sector to produce the ‘compact’, an agreement highlighting the ways that the government and voluntary/charitable organisations could formulate and implement policy together (Harris, 2010; Morison, 2000). Four compacts, each representing a constituent country of the United Kingdom, detailed the relationships between the voluntary sector and the state, emphasising the increased recognition and viability of the former. The documents outlined a gradual move from vague concepts and ideas towards specific expectations required of both parties (O’Brien, 2006). The development of a partnership culture between the state and the voluntary sector was not restricted to the UK, but occurred throughout the developed world (Laratta, 2009b).

Operationalising the partnership between the third sector and the state posed a number of challenges. Voluntary sector representatives argued that their independence should be maintained, while the government highlighted the need for ‘best practice’ from voluntary organisations in exchange for contracts to provide services (Home Office, 2004; Morison, 2000). Both the third sector and the state used subtle variations in language and rhetoric for strategic purposes, with each side attempting to maximise the gains for itself (Morison, 2000).

As the goals and aims of the partnership became increasingly concretised, conflicts and tensions emerged. While the idea of an equal partnership was often seen to signal the end of the regulatory approach to the relationship between the state and the third sector, in reality, competitive tendering and frameworks of good practice

were considered by many third sector employees to undermine collaboration and trust (Milbourne, 2009). The partnership between the state and third sector has been referred to as an ‘illusionary unity’, where the supposed partnership between the state and the third sector hid any conflicts or differences in values and expectations (Newman, 2001).

Since the publication of the Compact, the third sector has been portrayed as a key actor in defining and coordinating public policy (Kendall, 2005). However, the nature of ‘partnership’ between the state and third sector largely narrowed to focus on service delivery, and was no longer based upon a shared involvement in planning public services (Osborne and McLaughlin, 2004). Many third sector employees have criticised the compact, believing that it had failed to make a significant difference to how they work (Morris, 2010). They believed that in many cases, funders failed to put the principles of the Compact into practice, choosing to utilise a number of practices, including the use of short term contracts and payment in arrears. This has resulted in charities facing a disproportionate amount of financial risk (Kelly, 2007; Morris, 2010).

### 2.2.2: The Emergence of Social Enterprise

In 2005, the voluntary and community sector in the United Kingdom became officially referred to as the ‘third sector’. This change in nomenclature was a means by which the state could monitor and manage what was previously a diverse and fragmented group of organisations (HM Treasury, 2004). The concept of ‘social enterprise’, previously considered by the government as being in the same category as small business (Carmel and Harlock, 2008), now fell under this broad umbrella.

Since the late 1990s, Social enterprises have received considerable attention from governments worldwide. The previous UK Government defined a social enterprise as “a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners” (DTI, 2002). The Social Enterprise Unit was established in the UK in 2001, and was responsible for policy making in this sector, identifying the major barriers to its growth. However, social enterprises were not a new phenomenon: co-operatives and community enterprises had been formed in the first half of the nineteenth century to meet common need and challenge inequalities (Mason et al, 2007; Peattie and Morley, 2008; Teasdale, 2009). In addition, the idea of voluntary and community sector organisations

earning their own income was not new (Zimmerman and Dart, 2000). Nevertheless, social enterprise activity had been considerably less pronounced in the past. Third sector organisations had previously benefited from stronger financial support in the form of government grants, and therefore adopting entrepreneurial skills was not high on their list of priorities (Foster and Meinhard, 2002).

Today, social enterprise has moved away from the margins of economic and social policy in the UK, being recognised as a specific organisational type capable of meeting the needs of disadvantaged communities in new and innovative ways. Pearce (2003) identified four main areas within which social enterprises are involved: local development, providing alternatives to statutory provision, providing community services, and as a direct competition to private sector businesses. Social enterprises may operate separately from the state to allow them to fulfil unmet need; this is known as the supplementary model. In the complementary model, however, non-profit organisations are contracted by the government to provide a particular service (Young, 2000).

Social enterprises have been promoted by the state for three main reasons (Amin et al, 2002). Firstly, the government was desirous to reform the welfare state, with a drive towards greater efficiency and accountability being a means by which it could save money (Clayton et al, 2000), whilst also ensuring better and more responsive public services (Kendall, 2005). Secondly, social enterprises evolved because of changes in the third sector, such as the increased focus on pro-business and pro-market values (Dart, 2004b). In addition, the success of social enterprises was evidence that both social and commercial approaches could find common ground (Amin et al, 2002). Thirdly, as social enterprises do not primarily exist to make a profit, they can locate in areas within which private businesses or statutory organisations find it untenable to operate (Mason et al, 2007; Teasdale, 2009).

Social enterprises contribute significantly to the economy of the United Kingdom. Social Enterprise UK (2012), the national membership body for social enterprise, identified over 68,000 such organisations in the UK<sup>4</sup>. They employ almost a million people and contribute an estimated £24 billion to the economy. Within the EU, the social economy employs 11 million people, accounting for 6% of the entire

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<sup>4</sup> This figure, which is large compared to previous surveys, can be explained through “political modification of the way in which data is collected and reported” (Teasdale et al, 2013: 114). Teasdale and colleagues argued that 90% of the social enterprises identified in recent surveys are in fact for-profit, private businesses, which would not have been counted under the definition used in the 2003 survey.

workforce. Approximately one in four businesses founded in Europe is classed as a social enterprise, rising to one in three in Belgium, Finland and France (European Commission, 2011).

Academic interest has kept pace with the rise in popularity of social enterprises within the shifting landscape of the third sector. Increasing numbers of publications and policy documents have identified the role of social enterprises and their potential benefits to disadvantaged communities and individuals. They have also highlighted the characteristics of the organisational type itself, the concept of social entrepreneurship, and the motivations of the social entrepreneur (Humbert, 2012; Peattie and Morley, 2008; Royce, 2007).

### 2.2.3: The Challenges of Defining Social Enterprise

Unlike the private and statutory sectors, social enterprises and the third sector as a whole are not clearly defined (Spear et al, 2009). Social enterprises are traditionally considered to fall into a zone between profit and non-profit activity, with a blurring of the boundaries between those organisations primarily concerned with growth and profit, and those that consider it their duty to meet social goals (Dart, 2004b; Doherty et al, 2009).

Most definitions of what constitutes a social enterprise, including that accepted by the UK government, are vague and imprecise (Dart, 2004b). Some commentators believe that social enterprises are largely concerned with innovation within the social sector. For example, Dees (1998) argues that social entrepreneurs follow a path that seeks to create and sustain social value, continuously seeking bold or untried ways to achieve these goals. Others hold a narrower definition of social enterprises as being businesslike, self-sufficient and market-driven (Boschee, 2001). However, attempts to tightly define social enterprise will likely remain contentious, given that they are an organisational type located in an intermediate space between the state, market, and civil society (Evers and Laville, 2004). For example, some commentators have argued that a non-hierarchical and loose ownership structure is one of the defining characteristics of social enterprises (Lyon and Sepulveda, 2009), despite evidence that many social enterprises successfully operate on a more hierarchical basis (Pearce, 2003).

Social enterprises have no specific, defining legal structure<sup>5</sup> (Bull, 2008; Spear et al, 2009). A large number of organisational types come under this umbrella term, varying enormously in size, scope, motivation, ownership, culture, and the extent to which they engage with profit making activity (Peattie and Morley, 2008). Some social enterprises may be companies limited by guarantee, whereas others may be registered charities (Bull, 2008; Tracey et al, 2005). A social enterprise may be both a charity and a registered company, or a charity may have a subsidiary company that it operates as a business. Others may be Community Interest Companies (CICs), a model introduced by the previous Labour government in 2005 to promote social enterprises<sup>6</sup>.

What comprises earned income, or ‘surplus’ in the social enterprise literature, (Smallbone et al, 2001), and the percentage of funding which must be obtained from trade, is also a point of contention (Haugh, 2005; Lyon and Sepulveda, 2009). It has been suggested that half of an organisation’s income should come from trade (Spear et al, 2009), however, this was set at 25% by the IFF (2005) to include those organisations which were gradually increasing their reliance on their own traded income (Lyon and Sepulveda, 2009). Others have argued that any form of income generating activity, however small, should come under the remit of social enterprise (NCVO, 2009). A contract with the statutory sector could therefore count as earned income, as here the third sector organisation is essentially trading with the state (Carmel and Harlock, 2008; Lyon et al, 2010).

Another challenge is defining which activities count as ‘social’ (Lyon et al, 2010). Some believe that non-profit organisations such as private schools, hospitals and golf clubs cannot be social enterprises as they generally do not serve the poorest and most disadvantaged members of society (Lyon and Sepulveda, 2009). Therefore, even the basic definition of a social enterprise – as an organisation with both social and economic goals – can be problematic.

The definition and purpose of social enterprises differs between countries. While social enterprise in continental Europe is generally seen as a vehicle for communities to become involved in the democratic political process (Amin, 2009; Defourny and Nyssens, 2006), in the UK and US, where there has been more

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<sup>5</sup> International certification in the form of a ‘Social Enterprise Mark’ was established partly because social enterprises lack a specific legal definition (Social Enterprise Mark, 2013).

<sup>6</sup> While they lose some of the benefits that charitable status can bring, such as tax relief, CICs can pay dividends to investors at a rate of up to 5% above the Bank of England base rate (Tracey et al, 2005).



liberalisation of the state, social enterprises are frequently viewed as a solution to the shortcomings of the welfare state (Amin, 2009).

Some commentators may argue against trying to precisely define a social enterprise, believing that they are self-evident (Defourny and Nyssens, 2006; Peattie and Morley, 2008). Nevertheless, some organisations fitting the definition of social enterprises do not consider themselves as such; conversely, there are some organisations that refer to themselves as social enterprises despite not meeting any of the commonly defined criteria (Lyon et al, 2010; Spear et al, 2009). Increased government funding for social enterprises is likely to raise questions over which organisations qualify (Lyon and Sepulveda, 2009) with the barriers to defining a social enterprise thus being more political than technical (Lyon et al, 2010). To avoid these complications, social enterprise could be referred to as an activity, or a particular way of working, rather than as a specific organisational type (Aiken, 2010).

#### 2.2.4: Accepted characteristics of social enterprises

Ideal typical social enterprises have multiple goals and stakeholders, and draw upon a number of different resources (Borzaga and Defourny, 2001). They “combine the economic principles of market, redistribution and reciprocity and hybridize these three types of economic exchange so that they work together rather than in isolation from each other” (Defourny and Nyssens, 2006: 11). This hybridisation is partly why social enterprises appeal to parties and voters on either side of the political spectrum (Simmons, 2008).

<b>Ideal Type</b>	<b>Summary</b>	<b>Decision-making structure</b>	<b>Primary purpose</b>	<b>Example</b>
Non-profit enterprise	Social enterprise as an activity - trading for a social purpose	More individual	More social	A voluntary organisation delivering a public service
Community enterprise	Social enterprise as a bottom-up response to local need	More collective	More social	Local Exchange Trading Systems
Social business	Organisations trading wholly in the market to achieve a social purpose	More individual	More economic	The Big Issue
Community business	Social enterprises as democratic and collectively owned organisations that reinvest surplus or distribute it to its members	More collective	More economic	Worker co-operative

*Table 2.1: Traditions of Social Enterprise. Taken from Teasdale (2009; 2010a)*

Four ‘ideal types’ were identified by Teasdale (2009; 2010a) and are summarised in *table 2.1* above. These can be positioned according to two dimensions: social/economic and individualistic/collective. Each of these dimensions involves tensions between each pole. For example, income generation must be balanced against the need to meet social goals, while collectivism and the democratic process conflicts with hierarchy and individualism. While the active involvement of stakeholders and the wider community is often an ideological goal for social enterprises, on the other hand, adopting individualistic decision-making structures commonly found in the private sector can enable an organisation to meet its social goals more effectively (Pearce, 2003; Teasdale, 2009).

Although some social enterprises may be more economically focussed than others, one of their defining characteristics is their ‘double bottom line’, whereby they seek economic growth while meeting social obligations (Emerson and Twersky, 1996). Some commentators (Laville and Nyssens, 2001; Spear et al, 2009) have argued that social enterprises combine at least three types of goal; these are the aforementioned social and economic goals, but they may also hold socio-political or civic goals.

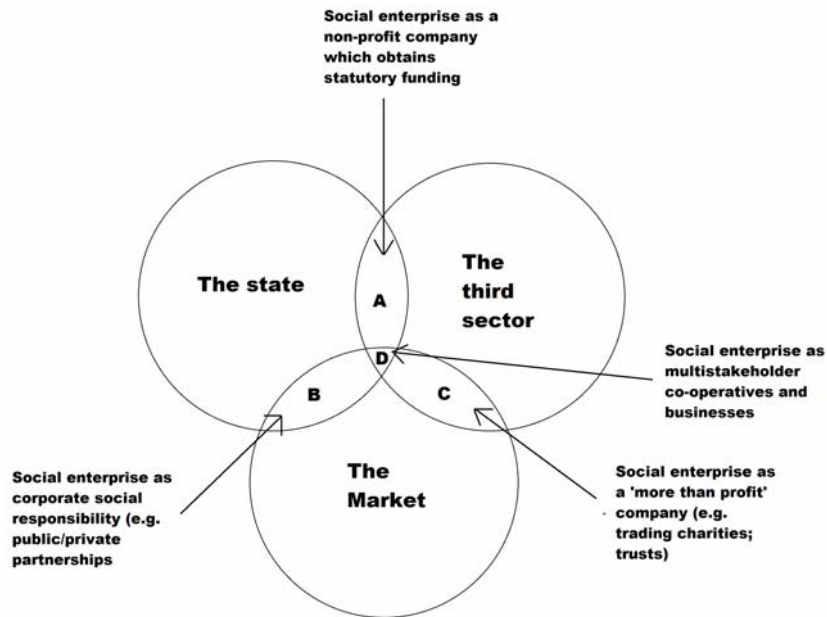
As social enterprises often share similarities with the private sector, there may be challenges in distinguishing between the two (Tillmar, 2009). For example,

workers' co-operatives distribute any surplus to their members, replicating how private sector organisations distribute profits to shareholders (Bridge et al, 2009). In addition, many private firms donate to charitable causes (Lyon and Sepulveda, 2009). However, while all organisations, including private companies, hold both social and economic goals (Mintzberg, 1983), private companies are unlikely to state the former as being one of their objectives (Bridge et al, 2009). Social enterprises, on the other hand, consider social need as more important than profit maximisation (e.g. Amin, 2009; Zadek and Thake, 1997). Although the specific income generating activities of social enterprises may be similar to private enterprise, the distinction between commercial and social enterprise relates not to the activity itself, but to the primary motivation for the activity (Dart, 2004a). Social enterprises must also take into account a wider range of stakeholders than private organisations, which may or may not have a financial interest in the organisation (Austin et al, 2006; Mason et al, 2007).

Social enterprises differ from traditional charitable or voluntary sector organisations in two main ways (Pearce, 2003). Firstly, they rely on enterprise rather than philanthropy to achieve their social goals. Secondly, they are more likely to have democratic structures that allow for the involvement of a wide range of stakeholders, which they both engage with and attempt to be accountable to (Ospina et al, 2002).

### *The Hybrid Nature of Social Enterprise*

Social enterprises traditionally occupy a particular position on a broad spectrum. At one end of the spectrum, there are those non-profit organisations entirely reliant on philanthropic capital, which are concerned solely with social returns. On the other end, lie for-profit organisations which seek to maximise their financial returns. Social enterprises exist between these two poles (Bielefeld, 2009; Lyon et al, 2010). However, social enterprise activity is wider than simply the area between the third sector and the market (Ridley-Duff, 2008), or even as the more business-like part of the third sector (Spear et al, 2009), but includes ideologies, beliefs, and particular ways of working from all three sectors (Aiken, 2010). This complex, hybrid nature of social enterprises is partially why defining the organisational type poses such a challenge (Borzaga and Solari, 2001).



*Figure 2.1: Social enterprise in relation to the three sectors or ‘organisational worlds’ (Based on Billis, 1993, and Ridley-Duff, 2008)*

Billis (1993) describes three ‘organisational worlds’ – the market, the state, and the charitable/voluntary sector, each of which has its own culture, value commitments, and governance. Although each sector has a typical ideal type, in reality, boundaries between them are often blurred (Billis, 2010a; Lewis, 2010). For example, Billis (2010b) cites the example of the BBC as an organisation that is primarily part of the public sector, but which is to an extent also a mix of the private and third sectors.

It was suggested that social enterprise activity occurs at the overlapping points between each of the three sectors (Seanor and Meaton, 2008). For example, in *figure 2.1* above, the traditional idea of social enterprise as occupying an area between the market and third sector would be represented by organisation ‘C’. However, organisations may also exist between the state and the third sector; an example of which being a charity which the state ‘purchases’ services from in the form of a contract (organisation ‘A’). They may also exist between the state and the market as public-private partnerships (B). Some social enterprises combine elements of all 3 sectors (organisation ‘D’), and feature a diverse variety of stakeholders and sources of funding (Ospina et al, 2002; Ridley-Duff, 2008).

Billis (2010b) distinguishes between enacted hybrids, which are organisations set up as such from the very beginning, and organic hybrids, which may originate within one particular sector, but become increasingly hybridised over time.

Hybridisation can occur at a variety of scales, and may be as simple as a voluntary sector organisation employing paid members of staff.

## 2.2.5: The Benefits and Challenges of Social Enterprise

### 2.2.5.1: Benefits

#### *Flexibility*

Social enterprises, as well as third sector organisations as a whole, have a number of advantages over organisations from all three sectors, being noted both for their independence and for their ability to respond to specific local needs (OTS, 2006). While the values of social enterprises may be largely located in the third sector, their hybrid nature allows them to adopt elements from the two other sectors (Laville and Nyssens, 2001). Hybrid forms can be beneficial to organisations, helping them maintain the legitimacy that comes with established organisational types, whilst allowing them to remain open to the potential for incorporating new and innovative ways of working (Minkoff, 2002). Earning their own income enables social enterprises to continue to be innovative, as unlike many forms of grant income, this money can be used in any way that they desire (Foster and Bradach, 2005).

#### *Effective Services at Low Cost*

As previously mentioned, third sector organisations have legitimacy in the eyes of both the public and the government, with their economic benefits allowing governments to reduce their spending and keep taxes low (Billis, 2010a; Dart, 2004b). Because of these longer term benefits, the use of initial seed funding for such ventures has been justified (Dart, 2004b). At the same time, social enterprises allow for the continuation of a 'welfare state' of sorts to the wider public, and enable social goals to be met. This is the epitome of third way politics, combining aspects of both socialism and capitalism (Harris, 2010; Teasdale, 2009).

#### *Ethical Organisations*

While social enterprises may offer similar goods and services to for-profit organisations, they are less likely to exploit consumers given their inability to

distribute any surplus to those in control of the organisation<sup>7</sup> (Hansmann, 1980). In addition, social enterprises often engage in activities that are unprofitable yet socially desirable (Weisbrod, 1998).

The structure of social enterprises also prevents opportunistic behaviour from emerging; for instance, having an explicit social aim emphasises the fact that employees must pursue specific ethical goals when working for an organisation (Bacchiega and Borzaga, 2001). Stakeholders are often heterogeneous, meaning that organisations do not work in the interests of certain individuals, and can thereby help to nurture internal trust (Laville and Nyssens, 2001).

### *Challenging Social Exclusion*

Social enterprise is considered to provide “an impetus for economic growth and social regeneration” (Phillips, 2006: 221) and to its supporters, is an efficient and cost-effective way that welfare services can be delivered. Organisations often focus on training marginalised people, helping them obtain the skills they need to enter employment, thereby further reducing costs to the state (Amin et al, 2002). Many third sector organisations also challenge social exclusion by employing people who would find it hard to gain employment easily within the other two sectors (Bridge et al, 2009). Social enterprises, therefore, help to meet the state’s increased emphasis on economic viability and individual responsibility (Hudson, 2009).

Social enterprises have been praised for giving marginalised people more of a say into how they are run, and have been linked with increased levels of civic participation (Amin et al, 2002). In some ways, this is evidence of the emergence of public spaces within civil society (Laville and Nyssens, 2001). This can be contrasted with the public sector, where consultation meetings with beneficiaries have been criticised for being tokenistic (Bucek and Smith, 2000). Social enterprises are also associated with increased levels of social capital within communities, assisting with the development of trust and a spirit of cooperation (e.g. Bacchiega and Borzaga, 2001; Smallbone et al, 2001).

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<sup>7</sup> While cooperatives can distribute surplus to its members, profit-making activity is balanced with the community’s interests. Membership is also open to everyone satisfying certain non-discriminatory conditions (ICA, 2005).

### 2.2.5.2: Challenges

#### *Irreconcilable Objectives?*

Social enterprises, by their very nature as hybrid organisations, must balance several, often partly competing objectives. For example, they must obtain enough resources to survive on one hand, whilst maintaining a positive relationship with beneficiaries on the other. If a balance is not reached between these two objectives, their sustainability or legitimacy may be threatened (Moizer and Tracey, 2010).

An organisation's survival may be jeopardised should it overly focus on its social goals without consideration of how to fund its activities. On the other hand, social enterprises may become so focussed on procuring resources that they neglect their social goals (Austin et al, 2006). This may lead to organisations experiencing 'mission drift' (Bennett and Savani, 2011) and a reduction in their legitimacy in the eyes of their beneficiaries (Spear et al, 2007). It was felt that in addition to the time requirements of satisfying each of their varied stakeholders, assigning them equal accountability is difficult, if not impossible, with the most powerful stakeholders often assuming the greatest importance (Edwards and Hulme, 1996).

One strategy is for an organisation to separate its social and commercial goals, effectively operating in two distinct parts. However, even if the business section of the enterprise is 'stand alone', there may be competing demands for capital. If money is invested in the income generating side, then the effectiveness of the social side may be diminished. While organisations may attempt to integrate both their social and business goals, issues may then arise with resource allocation and organisational focus (Moizer and Tracey, 2011).

While social enterprises have appealed to those on either side of the political spectrum (Sepulveda, 2009), they have also received criticism from both the left and the right, with the former arguing that they have adopted principles associated with capitalism, while the latter believe that they suffer from poor management (Foster and Bradach, 2005; Ridley-Duff, 2008). A stumbling block to social enterprises adopting a commercial aspect is the time required to implement income generating activity. Hybrid organisations may face contradictory pressures from each sector as they attempt to maintain legitimacy within each one (D'Aunno et al, 1991). There is no guarantee that the forms of legitimacy valued by one stakeholder will be compatible with forms of legitimacy valued by others (Lister, 2003).

While the hybrid nature of social enterprises provides them with a great deal of flexibility, mixing goals from different sectors can result in tensions emerging between these goals. For example, it was argued that the notions of social justice and capitalism are fundamentally opposed, with the inequalities within society that social enterprises seek to challenge being a product of capitalist values in the first place (Blackburn and Ram, 2006). Social entrepreneurs may be placed in an uncomfortable position, having to work in traditional markets whilst also disagreeing with their ethos (Hynes, 2009).

A growth in professionalism may also pose a problem to the altruistic nature of third sector organisations. While it may lead to greater accountability and efficiency on the one hand, some people believed it could work against the principles of user involvement and community on the other, thereby resulting in a loss of trust (Fenton et al, 1999; McKinney and Kahn, 2004). However, others believe that a resistance to business principles stems from a negative reaction to change. Salamon (1987) highlights the fact that in the United States in the 1960s, there was a similar resistance to increased statutory funding of third sector organisations, with critics arguing that it posed a risk to their independence and internal management systems. Froelich (1999: 261) believes that this scepticism of change occurs because “we do not trust nonprofit organizations to maintain their mission focus and distinctive style when faced with external pressures accompanying resource acquisition”.

### *Funding Challenges*

While social enterprises often face greater challenges than commercial enterprises, owing to their conflicting priorities and lack of business expertise (Foster and Bradach, 2005), studies in the UK have shown that social enterprises perform well compared with private businesses. For example, 58% of social enterprises in a recent survey reported growth, in comparison to 28% of small and medium enterprises. When asked about whether they predicted future growth, the figures were 57% and 41% respectively (Social Enterprise UK, 2011).

Nevertheless, obtaining enough income is a challenge common to many social enterprises. In a Scottish survey, half the social enterprises that responded believed that a lack of obtaining and maintaining funding had been the main barrier to their operation (McGregor et al, 2003). Social enterprises typically draw on four main sources of funding: commercial sources, which include overdrafts and loans; private sources; earned income; and special sources of income, such as that obtained through



fundraising and donations. The first two sources of funding can be difficult for social enterprises to obtain, however. Many commercial organisations expect returns on their investment (Bridge et al, 2009), while obtaining enough philanthropic income can be a potential challenge to many social enterprises owing to their hybrid nature. Public donors may be reluctant to give money to organisations which they consider to be extensions of the state, or which share many of the characteristics of private sector organisations (Jones, 2007).

Earning enough income through social enterprise activity may also pose a challenge. For example, as social enterprises often work in areas where there has been market failure, it is unrealistic to expect them to make a profit (McBrearty, 2007; Tracey et al, 2005). The nature of their work means that social enterprises have a different relationship with consumers than commercial enterprises, with the latter having customers who can usually afford their services, and who have the freedom to exercise choice (Austin et al, 2006).

For many social enterprises, government funding remains one of their most dependable sources of income (Bennett and Savani, 2011; Besel et al, 2011). An analysis of 195 projects between 1997 and 2000 discovered that two thirds were entirely reliant on public sector income, either through grants or contracts with the state, with the majority of the rest depending on statutory income to some extent (Amin et al, 2002). In a more recent survey of social enterprises, the majority of organisations were reliant on the state for their finances, with 9 out of 10 seeking additional income (Laratta, 2009a).

Despite this reliance on statutory funding, many social enterprises are wary of this kind of income, believing it can lead to a loss of control and a dilution of their values (Phillips, 2006). In a similar way that organisations which focus on earned income may experience mission drift in the direction of the market, organisations dependent on grant income may experience ‘coercive isomorphism’ in the direction of the state (Sud et al, 2009).

### *Unequal Service Provision*

The majority of social enterprises are small in scale and may therefore focus on just one community, geographical area, or client group. While social enterprises are increasingly relied upon by the state in order to carry out its goals, this may result in an unequal service provision or the promotion of certain interests to the exclusion of

others (Taylor and Warburton, 2003). Government goals may only be met in particular areas (Amin et al, 2002; Evers, 1995). Inequality may be compounded by the fact that many social enterprises find it hard to operate in deprived areas, which may have low levels of resources and social capital. Ironically, it is these areas that could most benefit from their intervention (Bridge et al, 2009).

#### 2.2.6: The State and the Third Sector

Despite the hostility many third sector organisations have towards the private sector, with many employees believing its ethos to be fundamentally different (Phillips, 2006), there is often more pressure on their aims and operating practice when working in partnership with the public sector (Pharoah, 2007). Although the state often provides much needed finances and support to social enterprises and third sector organisations, this engagement is often seen as a double edged sword, with the accountancy demands often conflicting with an organisation's mission (Nevile, 2010). While voluntary organisations have traditionally been protective of their independence, the government has emphasised the importance of methods of good practice, concerned with conformity to audit requirements and guidelines (Morison, 2000).

#### *An Unequal Relationship?*

Third sector organisations have traditionally been wary of the intentions of the state. For example, during the economic downturn of the 1980s, many voluntary organisations were involved in policy implementation and planning. However, once conditions improved, financial support for a number of schemes was cut, which resulted in feelings of resentment towards the government at the time (Kendall, 2005). The publication of the Compact signalled a change from the traditional view of civil society as existing outside the jurisdiction of the state, towards one in which both groups supposedly sought common goals. While this approach could be seen as being one of mutual agreement and influence, in reality, deeper structures of power and governmentality played a significant role. Governmentality has been defined as “all endeavours to shape, guide, direct the conduct of others” (Rose, 1999: 3), and is something which affects our lives in ways that we often take for granted.

Many public sector bodies and employees remain sceptical that social enterprises can deliver services professionally (e.g. Austin et al, 2006), and are therefore reluctant to provide the sector with a stronger voice. Although partnership

between the third sector and the state has been emphasised ever since the publication of the compact, community-based third sector organisations have remained subservient to powerful statutory bodies (O'Brien, 2006). While the government was in favour of cross-boundary collaboration, in practice, the inflexibility of the statutory sector and a lack of trust from both sides prevented this. In addition, the centrally-driven nature of policies and planning limited the possibility of implementing local approaches to service provision (Milbourne, 2009). The third sector was, and still is, considered by many statutory bodies as an affordable solution to statutory problems rather than a genuine agent for change (Carmel and Harlock, 2008; Pearce, 2003).

### *Mission Drift*

A 2007 Charity Commission survey found that out of 3,800 British charities delivering public services, only around a quarter believed that they were not under any pressure to conform to the wishes of their funders, whereas half reported changes to their mission or remit (Thomas, 2007). Bennett and Savani (2011) identified three main concerns associated with 'mission drift', the first being a loss of legitimacy amongst donors. For example, an organisation contracted to provide services previously provided by the state may be seen as a quasi-state organisation by its donors (Ramrayka, 2002). People may therefore be unwilling to donate if they believe the organisation's work was a way of saving the state money, or if they felt that it could potentially obtain income from other sources.

The second concern is the risk of what has been termed 'financial destabilization' (Bennett and Savani, 2011). Contract funding may be unpredictable in nature, or may fail to cover the full cost of running a service. Many charities admitted that they would struggle to survive should their funding be stopped (Gupta, 2005).

The third concern is a possible distortion of an organisation's core values. Many third sector organisations working in close partnership with the state have had to change the way that they operate (Brandsen and van Hout, 2006). The outcomes expected of them are often narrow and based on economic factors, which can directly conflict with their ethos and values (Billis, 2010a). On the other hand, organisations that have adopted social enterprise activity may place greater emphasis on their economic goals, and may therefore work in a different way than if they were solely driven by altruism and social justice (Carmel and Harlock, 2008). Whether reliant on the state or the market for funding, third sector organisations may neglect their social

or community ethos to focus on meeting regulations or obtaining enough income to survive. Greater emphasis may be placed on external, or upwards accountability, over internal, or downwards accountability (Kearns, 1996; Ospina et al, 2002; Taylor and Warburton, 2003). This may result in a subsequent loss in legitimacy from the perspective of any beneficiaries (Ossewaard et al, 2008), a loss of autonomy, and increased bureaucracy (Frumkin and Kim, 2002).

While income generation may therefore be a response to particular challenges, it can also bring challenges and conflicts of its own. Aside from finding a wealthy donor who is willing to provide considerable, unlimited funding, with no expectations in return, organisations will likely have to manage a number of often competing demands. Investigating the nature of these conflicts, and the ways in which an organisation can respond to them, is therefore important, given that in some ways, a caring, person-centred ethos may appear irreconcilable with a an entrepreneurial ethos based upon efficiency and cost-effectiveness.

#### 2.2.7: Organisational Legitimacy

Legitimacy, according to Suchman (1995: 574), is defined as “a generalized perception or assumption that the actions of an entity are socially desirable, proper or appropriate within some socially constructed system of norms, values, beliefs and definitions”. It can be conferred on an organisation from external agencies such as stakeholders (Taylor and Warburton, 2003), who determine how legitimacy is defined (Lister, 2003). It may also be conferred on an organisation by its beneficiaries or other internal stakeholders (Arndt and Bigelow, 2000). Legitimacy is a dynamic and multifaceted concept, capable of evolving as societal norms and expectations change (Lister, 2003). In addition, what may be legitimate to one stakeholder may not be to another (Sonpar et al, 2010).

The particular organisational forms, the structural elements of an organisation, and the specific technical procedures associated with an organisation, rather than the organisation itself, could be said to be legitimised (Brinkerhoff, 2005). Legitimacy may extend to the particular ‘need’ itself. Should an organisation experience a reduction in legitimacy, it can sustain its activities by drawing upon the legitimacy of the need that it serves (O’Regan, 2001).

New organisations, particularly those utilising new or innovative techniques, or which lack the support of traditions and norms, may find that they are more open to

scrutiny than established organisations, and therefore experience a greater need for legitimacy (Ashforth and Gibbs, 1990). A range of strategies, both symbolic and concrete, can be drawn upon by managers, employees, and trustees, to maintain, defend, and extend organisational legitimacy (Ashforth and Gibbs, 1990). To a certain extent, legitimacy is best described as a resource, contributing to an organisation’s performance and overall success (Brinkerhoff, 2005). Organisations with high levels of legitimacy often have a greater ability to obtain other resources, such as money and human capital, as they receive both ‘endorsement and support’ from key constituents (Elsbach and Sutton, 1992).

Type of Legitimacy	Definition	Relationship with stakeholders
<b>Pragmatic</b>	Organisation fulfils the needs of its stakeholders such as funders and beneficiaries.	Organisation exchanges goods and services desired by stakeholders and receives support and legitimacy in exchange.
<b>Normative</b>	Organisation reflects acceptable and desirable standards and values.	Organisation meets normative judgements concerning outputs, procedures, and organisational structure.
<b>Cognitive</b>	Organisation pursues goals and activities that fit with broad social understandings about what is appropriate, desirable and proper.	Organisation 'makes sense' or is 'taken for granted' according to socially constructed 'realities'.

*Table 2.2: A summary of the three main types of organisational legitimacy (adapted from Brinkerhoff, 2005)*

Suchman (1995) identified three main types of legitimacy: pragmatic, moral (or normative) and cognitive, which are summarised in *table 2.2* above. **Pragmatic legitimacy** rests “on the self-interested calculations of an organization’s most immediate audiences” (Suchman, 1995: 578). Simply put, if an organisation has value to a particular set of stakeholders, whether they are beneficiaries (internal to the organisation) or policy-makers (external), it could be said to have pragmatic legitimacy. Suchman argues that there are three types of pragmatic legitimacy: exchange legitimacy, influence legitimacy, and dispositional legitimacy.

Exchange legitimacy is, as its name suggests, the legitimacy that arises from direct exchanges between an organisation and its stakeholders (Suchman, 1995). An organisation produces outputs such as goods or services, which are valued by stakeholders, who consequently offer their support (Brinkerhoff, 2005). Influence legitimacy occurs where an individual or institution supports an organisation, not

because they believe it offers a favourable exchange, but because it is “responsive to their larger interests” (Suchman, 1995: 578). For example, somebody may choose to donate to a charity not because of any specific benefits it will bring to them as an individual, but because of the potential for wider benefits to society (Brinkerhoff, 2005). This form of legitimacy is important for organisations with outputs that are hard to measure or attribute to particular actions (Brinkerhoff, 2005). A final form of pragmatic legitimacy is dispositional legitimacy, where stakeholders may endow an organisation with anthropomorphic qualities such as ‘trustworthiness’ and ‘wisdom’. Stakeholders are more likely to trust organisations that share their values or have their best interests at heart (Suchman, 1995).

Related to the concept of legitimacy is that of *accountability*, defined as "the extent to which organizations that speak or act on behalf of a community are fulfilling their stated goals and can be held responsible for their actions" (Chaskin, 2003: 182). If a social enterprise fails while receiving the majority of its income from trading, there would be less criticism towards both the organisation and the state than if the money had come from the latter in the form of a grant (Dart, 2004b). Organisations capable of raising income through commercial means are thus more acceptable to those on the political right. Social enterprises could therefore be said to have **moral** or **normative legitimacy** as well as pragmatic legitimacy (Dart, 2004b), especially within a culture of self-reliance and responsible citizenship (Bull, 2008). To other stakeholders, moral legitimacy may be associated with solidarity, voluntarism, and a person-centred approach to working with beneficiaries (Nevile, 2010). With moral legitimacy, an organisation is assessed not in terms of its benefits to the individual, but in terms of how socially correct and desirable it is (Brinkerhoff, 2005).

Suchman (1995) identifies moral legitimacy as taking one of four forms: evaluations of *outputs and consequences*; evaluations of *techniques and procedures*; evaluations of *categories and structures*; and evaluations of *leaders and representatives*. Consequential legitimacy is bestowed upon organisations based upon what they have accomplished, focussing on the specific outcomes obtained by an organisation, or the progress made towards a certain goal. This form of legitimacy therefore rests on the claim that the organisation either produces or contributes to a specific public good (Aldrich and Ruef, 2006).

Procedural legitimacy is where an organisation is judged based on the specific techniques and procedures that it uses in its work (Suchman, 1995). Organisations can

thereby obtain legitimacy by utilising socially acceptable procedures, essentially conforming to institutionalised paradigms (Ashforth and Gibbs, 1990). Suchman illustrates this point with reference to a hospital, arguing that it would not lose legitimacy should some of its patients die, whereas it would probably lose legitimacy if it started performing involuntary exorcisms, even if every patient recovered fully.

Structural or categorical legitimacy is a third type of moral legitimacy, based upon whether an organisation is structured in a morally favourable way. For example, an organisation may adopt a quality assurance framework, utilise a standardised outcomes monitoring tool, or have specific training requirements for employees or volunteers. This form of legitimacy is useful to new organisations which have no specific outputs to show and which have not yet built up any form of pragmatic legitimacy (Ashforth and Gibbs, 1990; Hargreaves, 2003).

The fourth form of moral legitimacy is personal legitimacy, concerned with the charisma of an organisation's leaders, board members, or trustees. Having a strong and passionate workforce will mean that an organisation's customers, beneficiaries or funders perceive its employees as committed to its goals and survival (Suchman, 1995).

The third main kind of legitimacy is **cognitive legitimacy**, defined as the "acceptance of the organization as *necessary* or *inevitable* based on some taken-for-granted cultural account" (Suchman, 1995: 582; emphasis original). Unlike the other two forms of legitimacy, cognitive legitimacy is not based on an organisation's goals or achievements, but upon its very nature (Dart, 2004b). Cognitive legitimacy is harder for an organisation to obtain or manipulate compared with pragmatic legitimacy, yet once established, the rewards to an organisation can be great (Hargreaves, 2003).

In practice, cognitive legitimacy overlaps with the other forms of legitimacy (Boxenbaum, 2008). For example, if an organisation is cognitively legitimate, then it is highly likely that it will receive endorsement (and thus legitimacy) from the state (Greenwood et al, 2002). Organisations with new or novel ideas can gain cognitive legitimacy by combining these ideas with tried and tested methods such as legitimate organisational structures and procedures (Boxenbaum, 2008; Hargadon and Douglas, 2001). They may also attempt to persuade stakeholders that an idea has merit (Boxenbaum, 2008). However, various forms of legitimacy do not always reinforce each other. If a stakeholder is unsatisfied by the adoption of established practices, this suggests that pragmatic and cognitive legitimacy are pulling in opposite directions (Suchman, 1995).

### 2.2.8: Conclusion

This section has introduced the third sector, its characteristics, and its history, specifically focussing on the concept of social enterprise. Social enterprises have successfully met the needs of some of the most vulnerable people in society whilst remaining cost effective, and therefore legitimate, to both the general public and to politicians from across the political spectrum. However, despite the best efforts of governments, practitioners and academics, social enterprise remains a vague concept, with efforts to tightly define it being unsuccessful or contentious.

Social enterprises can be threatened by mission drift in the direction of the market, with commentators arguing that their financial goals can easily assume greater importance than their social goals. However, another pressing issue for social enterprises is how to maintain legitimacy with statutory stakeholders, who may have different ideas as to what counts as ‘good practice’. As many social enterprises remain highly dependent on statutory funding to survive (Besel et al, 2011), they must, by necessity, maintain a close relationship with the state, yet at the same time, will increasingly have to justify and negotiate their unique position if they want to avoid the threat of ‘mission drift’.

### **2.3: Social Value of Third Sector Organisations**

Third sector organisations often seek to benefit the health and wellbeing of individuals and communities. Such benefits to individuals can either be ‘hard’ or ‘soft’ in nature; for example, a decrease in antidepressant usage following a specific engagement is an example of a hard outcome, as this decrease can be both quantified and measured (Hall Aitken, 2008). An example of a ‘soft’ outcome would be when a beneficiary reports increased levels of happiness or improved self-esteem; here, such measures are subjective, and as such, are difficult to quantify, yet may be equally as important to an individual’s wellbeing as ‘harder’ outcomes (Morino, 2011).

However, the concept of ‘value’ is often viewed in narrow, economic terms by the state. This can be seen as a direct consequence of the government’s desire to spend taxpayers’ money in a responsible and efficient manner (Westall, 2009). While metrics such as the ‘Social Return on Investment’ scale have been developed to account for the ‘added value’ of social enterprises and third sector organisations (Flockhart, 2005), these various benefits, which may be economic, social, or environmental in nature, are



often portrayed as being easily combinable into a ‘blended’ value. However, in reality, this approach may be problematic, with some values being impossible to translate into monetary terms (Westall, 2009). In addition, benefits to both individuals and the wider community may only become apparent over longer timescales (Frumkin and Galaskiewicz, 2004).

The following section will discuss the social value of third sector organisations, introducing the concept of an organisation’s *ethos*, before discussing how ‘wellbeing’ has been both conceptualised and measured from various perspectives. Following this, it introduces the concept of *arts and health*, a relatively new field based on working with the creative potential of individuals and communities in a non-medicalised and inclusive way. It discusses how third sector organisations, and ‘arts and health’ organisations in particular, conceive the concept of individual and community wellbeing in ways that are often at odds with the state.

### 2.3.1: Organisational Ethos

The ethos of third sector organisations is largely focussed around social goals, many of which are considered intangible. The Oxford English Dictionary defines ‘ethos’ as “the characteristic spirit, prevalent tone of sentiment, of a people or community; the ‘genius’ of an institution or system”. *Ethos* is a Greek word, and in Aristotle’s *Rhetoric*, comprises one of three modes of persuasive influence, the other two being *logos* (reason) and *pathos* (emotion) (Higgins and Walker, 2012). Originally used by Aristotle to refer to an individual’s trustworthiness or credibility, the concept has since been expanded to include the values and disposition associated with organisations and cultures (Higgins and Walker, 2012). The concept of ‘ethos’ is hard to define and analyse, both because of its intangibility, and also because of its close relationship with terms such as ‘ambience’ or ‘atmosphere’ (McLaughlin, 2005). Ethos is rendered intelligible through these related notions, which are considered to have clearer meanings (Allder, 1993).

Organisational ethos is linked to human activities, the environment within which such activities take place, and the social interactions which occur within an organisation’s internal spaces (Allder, 1993). While ethos typically refers to something that can be ‘experienced’, for organisations which seek to deliberately shape or control their ethos, it can also be ‘intended’ or ‘aspirational’ (McLaughlin, 2005).

Having commitment to a set of core values is one of the defining characteristics of third sector organisations that seek to deliver complex human services (Cheverton, 2007), providing a rationale for the work that they do (Nevile, 2009). These beliefs may stem from religious beliefs, the desire to improve the lives of people or a community, or a sense of solidarity, and are usually resistant to change (Nevile, 2009).

Ethos is associated with organisational identity, defined by Albert and Whetten (1985) as that which is central, distinctive, and enduring about an organisation. The values held by an organisation can be both implicit and informal (Monshengwo and Watt, 2003). Researchers have distinguished between *formal organisation*, referring to “those patterns of interaction prescribed by the rules and regulations of the company”, and *informal organisation*, or those personal interrelations between an organisation’s members not represented by the formal organisation (Roethlisberger and Dickson, 1939: 566). An organisation’s ethos is therefore determined differently whether one takes a ‘positivist’ or ‘anti-positivist’ view (Donnelly, 2000).

To a positivist, an organisation’s ethos is objective in nature, existing independently of those within an organisation, and can be changed or reconfigured strategically if so desired. However, to those of an ‘anti-positivist’ persuasion, ethos may not be formally specified, but occurs as a result of social interaction between internal stakeholders. Ethos, therefore, does not exist independently from an organisation, but is “inherently bound up within it” (Donnelly, 2000: 136).

While ethos may be threatened by external demands, a change in ethos is not necessarily negative or unwanted. It may even be advantageous for an organisation, allowing it to benefit a greater number of individuals, access additional sources of funding, improve its legitimacy, and keep up to date with public policy developments (Bennett and Savani, 2011; Ramrayka, 2010).

### 2.3.2: What is ‘Arts and Health?’

Arts and health has been described as the “creative activities that aim to improve individual/community health and healthcare delivery using arts-based approaches” (White, 2002: 11). In its broadest sense, this may include passive activities such as visiting an art gallery or a theatre, or being exposed to installed art within clinical spaces (MBC Sefton, 2009). While arts and health is also known as ‘arts in health’ or ‘arts for health’, it generally refers to the same practice and concept.

The use of art within medical spaces is not new (Staricoff, 2004). For example, in the nineteenth century, art was used to illustrate the presence of insanity in psychiatric patients (Parr, 2006). In the 20<sup>th</sup> century, psychiatrists frequently used art therapy in conjunction with Freudian analysis (Heenan, 2006), while patient’s art was analysed to assist with diagnosis (Hacking and Foreman, 2001).

In recent years, there has been increased recognition that the arts can be used for more than just therapy, being capable of assisting with the promotion of health and wellbeing (Dooris, 2005). There is a difference between art therapy and arts and health; the former being associated with medical practice, while the latter is flexible, non-medicalised and independent (White and Angus, 2003). Projects often view clients as members rather than patients, capable of participating on their own terms (Argyle and Bolton, 2005). Many arts in health practitioners have no formal health qualifications (Macnaughton, et al, 2005), with projects typically being characterised by a relationship of equals between ‘clients’ and ‘artists’ (White and Angus, 2003).

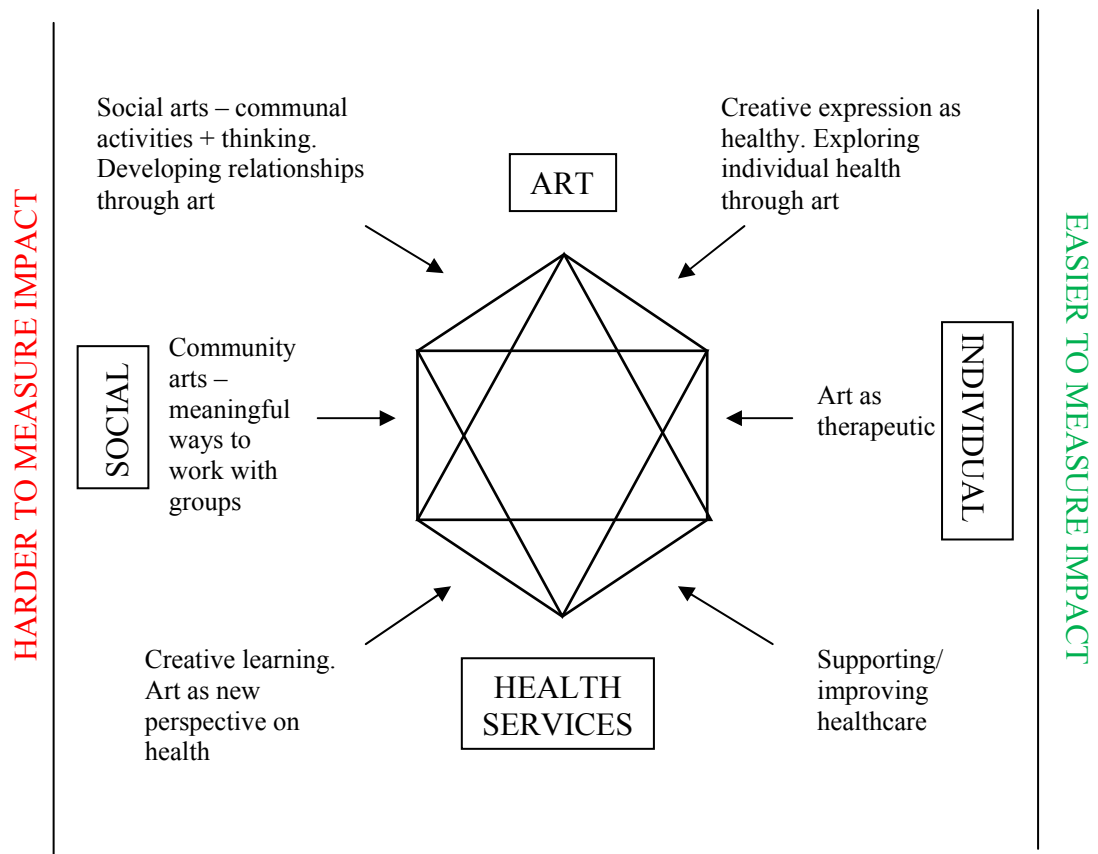


Figure 2.2: Approaches to arts and health (Adapted from Smith, 2003)

Community arts and health schemes are diverse, with each project having its own aims and objectives. Some projects may focus on community health and development, while others may seek to benefit individual health by engaging people with the creative process (Smith, 2003). To reflect the multidimensional and overlapping nature of these philosophies, Smith developed and refined a typology of arts and health activities in an attempt to understand the field and its different approaches. Projects to the right of the ‘arts and health diamond’ (figure 2.2) were concerned with the wellbeing of the individual, whereas those on the left reflected the social and community aspect of arts and health. Projects at the bottom of the diamond focussed on a formal promotion of health; whereas those near the top concentrated on the creative process itself.

An example of an initiative on the top right section of the diamond would be where a GP refers patients to singing sessions as a way of combating stress, while a project that uses the arts to assist patients with cancer would be found on the bottom right (White, 2009). Other projects are more social in nature; for example, art may be used to communicate concepts of good health to a target group or to the wider community as a whole (Macnaughton et al, 2005; Smith, 2003). These projects would lie between the ‘social’ and ‘health services’ sections of the diamond. Community arts projects, which seek to “produce work of artistic quality through a mode of engagement that may also have beneficial social outcomes that can indirectly impact on health” (White, 2009: 202), would be located in the top left hand corner of the diamond. Projects located on the left hand side of the diagram were considered to be harder to evaluate than those on the right, being concerned with improving aspects of health not typically recognised by mainstream healthcare provision (Smith, 2003).

### 2.3.3: Benefits of Arts and Health

The Arts Council argues that art positively impacts “wellbeing, health, healthcare provision and healthcare environments”, and can provide benefits to “patients, service users, carers, visitors and staff, as well as to communities and the NHS<sup>8</sup> as a whole” (Arts Council, 2007: 2). It has been suggested that through the development of social and personal attributes, can arts and health initiatives indirectly benefit both the physical and mental health of individuals and communities (Angus, 2002; HDA, 2000; Nutbeam, 1998).

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<sup>8</sup> National Health Service.

Arts and health schemes have been described as a “cost effective approach to addressing a myriad of social issues” (Jensen, 2002). Numerous benefits have been attributed to arts in health initiatives, including social benefits (e.g. Spandler et al, 2007), improved confidence and self-esteem (e.g. Heenan, 2006), improved artistic awareness or skills (e.g. Hacking et al, 2006), reduced reliance on medication (e.g. Secker et al, 2007) and increased employability (e.g. Secker et al, 2007; White and Angus, 2003).

Like social enterprises, arts and health projects can foster ‘social capital’ within communities (Anwar McHenry, 2011). Social capital is defined as the “networks, norms, and social trust that facilitate coordination and cooperation for mutual benefit” (Putnam, 1995: 67). While social support is a major component of social capital, those from richer backgrounds are often more likely to have access to this than those from poorer backgrounds (Argyle and Bolton, 2005). Arts and health projects may be an important source of social support for marginalised or disadvantaged groups, who are often also some of the poorest members of society (Social Exclusion Unit, 2004).

Hacking and colleagues (2008) conducted a questionnaire with people attending a community arts group aimed at people with mental ill health, firstly on arrival at the project, then again after six months of participation. As well as improving people’s mental health in general, resulting in a greater sense of empowerment, beneficiaries experienced increased social inclusion with the wider community. Michalos (2005) conducted a random household survey of residents in British Columbia, finding that 70% of respondents had made social contact with others through the arts, while over three quarters of respondents believed that participation in artistic activities could help strengthen communities. Arts for health projects have a wider reach than other mental health services, attracting a diverse mixture of people of various ages and backgrounds (White and Angus, 2003), as well as above average proportions of people from ethnic minorities (Hacking et al, 2006). Projects are often highly accessible, with self-referral being a common means of entry (Hacking et al, 2006; Secker et al, 2007).

Positive personal development has been identified as a major benefit of arts and health initiatives. For example, one of the most commonly cited benefits of participation in community arts groups is increased confidence and self-esteem, particularly for those experiencing poor mental health (Matarasso, 1997). Many projects explicitly focus on achieving such outcomes, with one survey finding that

over 90% of 101 arts projects considered improved quality of life, improved self esteem, and personal growth to be important aims of their projects (Hacking et al, 2006). Many projects appear to be fulfilling such aims; for example, the Health Development Agency (HDA) found that out of a survey of 90 arts and health projects, over half believed that their beneficiaries had become more sociable and had experienced reduced levels of stress as a result of creative participation (HDA, 2000).

The arts provide participants with a sense of meaning and purpose, which in turn can increase motivation and inspiration (Spandler et al, 2007). This sense of purpose is not restricted to the artwork itself, but extends to other areas of their lives. As well as being accessible, the arts are highly flexible, not requiring a minimum number of participants (Anwar McHenry, 2009). Participation in art can assist with self-expression, enabling people to manage their illness through coping strategies (Allan and Killick, 2000; Smith, 2003). While community arts and health schemes cannot solve poverty any more than traditional medicine can, they can ‘release visions and voices’ and provide people with the opportunity to change certain aspects of their condition or circumstances (Heenan, 2006; White, 2009).

Another major benefit of arts and health organisations concerns their ability to empower. Projects commonly act as a springboard to other activities, therefore helping people achieve greater independence (Heenan, 2006). Secker et al (2007) found that over a third of participants in a survey of arts and health projects believed that their beneficiaries’ education and employment opportunities had improved. Of 243 community arts participants in another study, over a third subsequently took up training or enrolled on an educational course (Matarasso, 1997). The rebuilding of personal identity is considered to be major benefit of arts participation, with participants viewing the finished artwork as proof of their talent and creativity. Art can also help to foster belonging. While belonging may be social in nature, with people seeing themselves as part of an artistic community, it may also be associated with psychological stability, or the feeling of being connected to oneself (Parr, 2006).

#### 2.3.4: Challenges of Arts and Health

While the benefits of arts and health schemes are often emphasised by their supporters, this opinion is not universally held amongst the government, the public, and other stakeholders. One of the main challenges for organisations is demonstrating that any benefits to participants occurred as a result of the creative activities

themselves, and not as a result of any other aspects of the organisation (Jermyn, 2001). For example, although participation in arts projects can result in ‘harder’ outcomes, such as reduced use of psychiatric medication or improved physical health (Konlaan et al, 2000), these benefits may not have occurred as a result of the creative process, but through other factors, such as through the social contact that can occur between participants (Clift et al, 2009).

While arts and creativity is a means by which social contact, social inclusion, and social capital is attained (Social Exclusion Unit, 2004), the same could be said of other activities and environments such as community gardening (e.g. Saldivar-Tanaka and Krasny, 2004), participation in sports (e.g. Delaney and Keaney, 2005), attending religious services (e.g. Maselko et al, 2011), attending a community drop-in centre (e.g. Conradson, 2003; Parr, 2000), or even through supported employment schemes (Philo et al, 2005). Matarasso (2002: 6) believes that there are “many routes to social and economic benefits”, with arts practices often working in similar ways to educational or sporting activities, whereby factors such as social contact are more beneficial than the activity itself. As a result, claims for the personal and social benefits of the arts have been challenged, with critics arguing that the benefits of such interventions have been exaggerated (Clift et al, 2009).

However, some benefits of arts and health organisations, such as the ability to express emotions and feelings which would otherwise remain inexpressible (e.g. Secker et al, 2007; Smith, 2003), are offered by comparatively few environments and activities. Matarasso (2002: 6) believes that while, in many instances, the arts share ‘socio-economic outcomes’ with other activities, they are important because of “the human and cultural outcomes which are wholly distinctive to them – questions of identity, meaning and values”. Despite this, the concept of ‘value’ is often restricted to politically desired outcomes such as employment, social inclusion, and community regeneration (Holden, 2004; Westall, 2009). Cultural organisations, therefore, may be unable to describe or emphasise their real values and purpose, which often occurs as a result of the interactions between the individual and the experience (Westall, 2009).

Although “significant progress” has been made towards “establishing the credibility of the arts and health agenda in the context of health and social care services” (Clift et al, 2009: 24), central policy makers remained unconvinced of the benefits of arts and health. Despite attempts to formalise the practice, it remains comparatively poorly understood, lacking the legitimacy associated with established

practices such as art therapy (White and Angus, 2003). Art therapy, though different from arts and health, is widely recognised and supported as a complementary practice, partly because arts therapists maintain comprehensive records of their work (Kleindents and Frude, 1999). Hamilton and colleagues argued that a rigorous approach to evaluating the creative process was necessary to “move beyond anecdote and opinion” (2003: 402).

There have also been criticisms of the practice and assumptions of arts and health. Many interventions were criticised for their short-term nature, meaning that any gains to wellbeing may be short-lived (Argyle and Bolton, 2005; Heenan, 2006). Programmes have also been criticised for inadequately acknowledging the possibility of participants experiencing emotional distress as a result of their involvement in creative activities. In contrast to art therapy, arts and health programmes typically focus on creativity and community cohesion, rather than on finding solutions to individual problems. In addition, practitioners almost expect participants to unanimously benefit from such activities. However, participants have responded negatively to arts and health interventions (Lawthom et al, 2007; Staricoff, 2004). For example, women with postnatal depression who attended a creative writing group often discussed highly personal issues, resulting in feelings of vulnerability emerging amongst some of its members (Perry et al, 2008).

Recognising these concerns, a number of commentators believe that arts and health schemes should consider the use of strategies that either minimise or alleviate the impact of creative activities on participants. Such strategies may draw on practices within art therapies, such as by offering counselling alongside their activities, or by employing staff with strong interpersonal skills, sensitive to the needs and wants of individuals (Angus, 2002; Perry et al, 2008; Staricoff, 2004). However, the adoption of such strategies is likely to require additional time and resources, and may be a particular challenge for small or informal projects.

### 2.3.5: The Third Sector, the State, and Conceptualisations of Wellbeing

#### *What is Wellbeing?*

Despite increased popularity of the concept of wellbeing in recent years (Fleuret and Atkinson, 2007) it remains a complex construct, being hard to define in a standard way. As a result, questions have arisen as to how it can be conceptualised and



measured (Carlisle and Hanlon, 2008). Argyle and Bolton (2005: 341) defined wellbeing as “a state of acceptance with what is – in mind, body and spirit”. In contrast to the notion of ‘health’, which is a fully physical state, it is therefore possible for somebody to be physically ill yet still maintain a positive state of wellbeing.

Traditionally, scales of subjective wellbeing focussed primarily on happiness, or hedonism. This perspective, based on the philosophy of Aristippus, argued that people were ultimately concerned with the maximisation of pleasure and the avoidance of pain (Carlisle et al, 2009; Searle, 2008). Scales of subjective wellbeing were based on the hedonistic view, which has three separate components – the presence of a positive mood, the absence of a negative mood, and life satisfaction as a whole (Diener et al, 1998). However, this approach was considered inadequate, given that it could capture only half of our possible emotions by focussing on what makes us happy at the time (Searle, 2008). The eudaimonic perspective of wellbeing, based on the work of Aristotle, argued that instead of a focus on maximising pleasure, meaning-making should be seen as more relevant to wellbeing. Waterman defined eudaimonia as “the feelings accompanying behavior in the direction of, and consistent with, one’s true potential” (Waterman, 1984: 16).

Advocates of the eudaimonic approach argued that behaviours or activities that make people happy do not necessarily promote wellbeing (Ryan and Deci, 2001). Nix et al (1999) found that while achieving success under pressure can result in a hedonic sense of happiness, it may not result in improved vitality, an attribute closer to the eudaimonic perspective. In contrast, achieving success in an unpressured and free environment can result in both happiness and vitality. Self-determination theory argues that autonomy is one of the three key needs essential for psychological growth; the other two being competence, or the ability to pursue and attain life goals; and relatedness, which is “the need to feel belongingness and collectiveness with others” (Ryan and Deci, 2001: 73).

### *Wellbeing and the Third Sector*

Social enterprises, arts and health organisations, and the third sector in general often hold different ideas to the state as to what constitutes ‘wellbeing’ and how it can be attained. For example, the New Economics Foundation (NEF), a British think-tank, believes that an important aspect of wellbeing is related to belonging, social development, and a sense of being able to contribute to society (NEF, 2004). However,

on the other hand, the state emphasises the benefits of paid employment, both to society, and to the wellbeing of an unemployed or disadvantaged individual (e.g. NSIP, 2008). However, private sector organisations typically focus on the maximisation of outputs within a pressured environment, which may not lead to improved wellbeing in a eudaimonic sense (Nix et al, 1999). According to self-determination theory, the flexible and person-centred philosophy typically associated with third sector organisations (OTS, 2006) can provide the required conditions for psychological growth, and thus an increase in eudaimonic wellbeing.

Both the outcome values, or the objectives an organisation strives for, and the instrumental values, or the way these objectives are achieved, come from the underlying ethical values held by an organisation (Nevile, 2009). In some instances, organisations may share the same outcome values, yet have different instrumental values (Nevile, 2009). For example, two organisations may share the long-term goal of service users eventually entering employment or voluntary work. However, one organisation may believe that the best way to achieve this is through an intensive, employment-focussed training programme, whereas the other may favour an approach based upon time-unlimited support and participant-chosen activities. For instance, arts and health organisations may share the same goal as statutory health promotion services of improving the health of a community. However, in contrast to health promotion services, arts and health organisations may choose not to explicitly focus on improving health, but upon improving ‘distance travelled’ dimensions such as self-esteem and confidence (Angus, 2002; Secker et al, 2007).

Despite the benefits attributable to arts and health organisations, many organisations are under pressure to provide evidence for the success of their work (Staricoff, 2006). While it was argued that the growth of the arts and health field should lead to greater emphasis on evaluation and research, it can be a challenge to link arts with health for a number of reasons. For instance, there are a huge number of art forms available, some of which may be subtle in nature or only loosely linked to health (Clift et al, 2009).

In addition, health may be affected in a number of ways. One project may be based around preventative work; another may promote good health; while another still may focus on treatment and rehabilitation (Clift et al, 2009). The health gains of such schemes may also not be realised for many years (Gowman and Coote, 2001). Despite this myriad of challenges, Clift and colleagues (2009: 14) argue, in relation to arts and

health programmes, that there is “an increased recognition of the need to employ standardised measures of health and well-being”. One such way of obtaining the benefits of such schemes is to utilise outcomes monitoring tools to measure changes to different aspects of participants’ wellbeing over a set period of time (Imonioro, 2009).

### *Outcomes Monitoring*

Scales of wellbeing have been developed for specific groups of people, for instance, those who experience mental health difficulties. These include the Warwick-Edinburgh Mental Well-being Scale, the Questionnaire on the Process of Recovery, and the Mental Health Recovery Star. However, many third sector employees view such tools with scepticism, considering them to be a ‘tickbox’ exercise, or as another layer of bureaucracy (Imonioro, 2009). In addition, many arts and health employees believed that outcomes monitoring tools often required them to ask beneficiaries intrusive questions. This could adversely affect the positive relationships they had forged with them (MBC Sefton, 2009).

A further concern regarding all current tools used to measure wellbeing is that they are based on a Western, individualist mindset and have a strong focus upon self-reliance. They pay little attention to the fact that social relationships and interdependency are hugely important to many people (Christopher, 1999; Imonioro, 2009). Concerns have been raised that such scales may construct those from non-Western backgrounds as psychologically unhealthy (Christopher, 1999).

### 2.3.6: Conclusion

This section has shown that arts and health organisations, as well as third sector social care support in general, have successfully been able to improve individual and community wellbeing in a eudaimonic sense, by fostering a sense of belonging, meaning, or purpose in their beneficiaries. However, the notion of ‘wellbeing’ is contested, with organisations or individuals holding different opinions as to how it can be conceptualised and measured.

While statutory stakeholders typically hold a narrow view as to what constitutes wellbeing, with a focus on independence, employment, or economically beneficial outcomes (Sassoon and Shah, 2008), there is still the recognition that third sector organisations can bring additional, social benefits (e.g. Amin et al, 2002). Despite this, the challenge for third sector organisations is how to effectively measure

this ‘added value’, with scales of wellbeing largely being unable to capture the *minutiae* of how organisations engage with their beneficiaries.

#### **2.4: Power Dynamics between the State and Civil Society**

Although the state had emphasised a partnership agreement with third sector organisations, in reality, it has been criticised for imposing particular outcomes targets and professional regulations, rather than negotiating with the organisations concerned (Kendall, 2005). In some ways, the regulation of third sector organisations was not primarily about ensuring that democratic principles, such as increased participation and accountability, were met, but was about ensuring both efficiency and value for money (Morison, 2000).

The concept of ‘risk’ has been used to explain the so called ‘paradox of regulation’, also referred to as the “double movement of autonomization and responsabilization” (Rose, 1999: 174). While there has been increased regulation on the one hand, for example, through a focus on evaluation, there has also been more liberalism concerning which organisations can bid for contracts, and therefore become the providers of services, on the other (Lane, 2009). This is not simply a retreat of the state or a relinquishing of the state’s sovereignty, but a transformation of politics, whereby formal techniques of governance are replaced by less formal ones (Lemke, 2002).

This section introduces and discusses the Foucauldian concept of disciplinary governmentality, which is associated with those attempts to shape our behaviour for strategic purposes, based on particular norms and with particular goals in mind (Miller and Rose, 2008). Following this, it introduces the link between the concept of wellbeing and governance, describing how the changing idea of what constitutes good health is always in alignment with the state at any one point, rendering us continuously subject to control (Atkinson and Joyce, 2009). It discusses how third sector organisations typically have social goals that are often intangible, and therefore problematic to measure. Finally, it discusses the strategies available to third sector organisations that enable them to resist, rework, or otherwise manage any demands and expectations that they face.

### 2.4.1: Governmentality

All organisations, whether part of the state, or indeed, those portrayed as being apart from it, are influenced to a greater or lesser extent by the concept of governmentality, defined by Gordon (1991: 3) as the “ensembles of practices and procedures that make some forms of activity thinkable and practicable both to its practitioners and those upon who it is practiced”. Governmentality as a concept was first formulated by Foucault, who sought to reveal the unexamined aspects of power to challenge the ‘top-down’ views of how it was commonly perceived.

Foucault investigated its particular mechanisms and effects at various levels of society, believing that greater emphasis should be placed on the importance of practices rather than institutions (Foucault, 1980). In addition, he sought to emphasise the fact that governance was not simply about the state controlling or regulating conduct, but that it also involved the autonomous individual, who played an important role in his or her own governance (Lemke, 2002). Governmentality, or government rationality, is not the spontaneous or occasional use of power, but that which is systematised, regulated, and rational (Lemke, 2002). It occurs at various levels in society, including the school, the workplace, and even within the home (Rose, 1999).

Related to the concept of governmentality is the concept of ‘biopolitics’, concerned with the control and administration of human life at the level of the population. Foucault’s concept of ‘biopower’ was defined as the “subjugation of bodies and the control of populations” (Foucault, 1978: 140) and addressed biological processes such as life, reproduction, and death as specific objects of power. Humans were considered as living, biological creatures, and not simply as legal or economic subjects (Gordon, 1991). While both the concepts of biopolitics and governmentality are concerned with the power of the state, biopolitical interventions were a specific instrument of governmentality, focussing on the population rather than the individual. Foucault argued that these two poles: one which focussed on the discipline of the body as if it were a machine, the other which focussed on humanity as a wider body, represented the system of power seen within the modern age in Europe, and moved beyond the ‘sovereign’ form of power bound up with institutions of monarchy during the middle ages (Foucault, 1980; Kerr, 1999).

While Foucault focussed on government within the political domain, he also understood it to be concerned with the relations between two individuals, or those relations that existed within communities or institutions, including those traditionally

believed to be outside the remit of the state (Gordon, 1991). Foucault believed that many aspects of modern societies could only be understood by “reconstructing certain ‘techniques of power’, or of ‘power/knowledge’, designed to observe, monitor, shape and control the behaviour of individuals” in various institutions such as schools, prisons, and places of work (Gordon, 1991: 3-4). Foucault believed that power and knowledge were not external to one another, stating that “nothing can function as a mechanism of power if it is not deployed according to procedures, instruments, means, and objectives which can be validated in more or less coherent systems of knowledge” (Foucault, 1997b: 52). The connections between power and knowledge can explain why certain truths or discourses are more prominent at certain points in history than at others.

#### 2.4.1.1: Governmentality Today

Authors such as Miller and Rose (2008) and Gordon (1991) developed and extended the concept of governmentality, utilising it in a wider sense through a focus on both the characteristics and practice of governing. Governmentality has two facets; the first being the formal dimension, whereby the object or concept to be governed is constructed as knowable and thinkable, so any solutions can be applied practically. In a sense, problems do not lie waiting to be discovered, but must be actively constructed; a process which occurs at different times and places, involving a number of different actors (Miller and Rose, 2008). Before the ‘economy’ can be governed, it must first be conceptualised and made amenable to control through particular discursive mechanisms that construct the domain as intelligible (Miller and Rose, 2008).

The second dimension is operational, and determines the processes and strategies of governance (Carmel and Papadopoulos, 2003). This is a technical dimension, concerned with the various tools, actors, instruments and techniques that allow conduct to be regulated and governed on a variety of scales (Miller and Rose, 2008). An example of the technical dimension would be the increased computerisation of society, which constructs certain individuals as at ‘risk’, either to themselves or to wider society, thereby allowing for their effective control (Gordon, 1991). That which is to be governed must first be represented, which can occur through the use of statistics, whereby events are transformed into information (Miller and Rose, 2008). Inscribing reality in this way enables a particular domain, object, or phenomena to be subject to evaluation and control.

Effective governance is not concerned with coercion or force, but upon self-regulation and choice within a government-defined sphere of freedom (Miller and Rose, 2008). Foucault used the concept of governance to investigate the relationship between the *technologies of the self* and the *technologies of power*. The former was defined as the “techniques that permit individuals to effect, by their own means, a certain number of operations on their own bodies, their own souls, their own thoughts, their own conduct, and this in a manner so as to transform themselves, modify themselves, and to attain a certain state of perfection, happiness, purity, supernatural power” (Foucault, 1997a).

Technologies of power “determine the conduct of individuals and submit them to certain ends or domination” (Foucault, 1988: 18). Therefore, to Foucault, governance involves equilibrium between those coercive techniques and those processes whereby individuals transform and modify themselves in pursuit of perfection or satisfaction. Power is not one-sided, with individuals being neither ‘inert’ nor ‘consenting’, but at all times comprising “the elements of its articulation” (Foucault, 1980: 98). In a paradoxical sense, humans are governed through an emphasis on individual freedom (Rose, 1999).

The outcome of this collaboration between ‘ruler’ and ‘ruled’ is compliance with state-sanctioned norms (Gordon, 1991). In his work *Discipline and Punish*, Foucault uses the term ‘docile bodies’ to describe the outcome of those subject to surveillance and regulation (Foucault, 1977: 136). As particular discourses are both subtle and ‘taken for granted’, the individual will accept them without question. Particular practices are normalised and constructed as desirable at the micro-level, enabling the views of individuals and organisations to be brought in line with the state (Morison, 2000). As alternative practices may be constructed as deviant or pathological, organisations (both state and non-state), and individuals self-govern themselves. It was therefore expected that rational citizens would freely follow a certain path based on the knowledge of experts (Rose, 1999), with rule being brought about through indirect means.

#### 2.4.1.2: Mechanisms of Indirect Rule

The ways in which ‘indirect’ rule can be conducted can be better understood by Latour’s concept of ‘action at a distance’. Latour, using the example of early French and Portuguese maritime explorers and traders, describes how knowledge can be

accumulated by consecutive expeditions to an unknown area. Previous explorers would “bring the lands back with them” so that new sailors, unfamiliar with the area, could ‘see’ the coastline for themselves without ever having travelled there (Latour, 1987: 220, emphasis original).

To enable a successful *cycle of accumulation* of knowledge to take place, and thereby ‘action at a distance’ on unfamiliar events, people and places, Latour argues that three conditions must be met. Firstly, these events, people or places must be rendered *mobile* to allow them to be brought back. Secondly, they must remain *stable* so that they can be brought back without any corruption or distortion. Finally, these elements should be *combinable*, so that “they can be cumulated, aggregated, or shuffled like a pack of cards” (Latour, 1987: 223). The result is the formation of a centre of calculation, enabling the domination of distant events, people or places. The concept of ‘action at a distance’ can be applied to a number of areas such as the economy (Latour, 1987).

Miller and Rose (2008), drawing upon Latour (1987), and Callon and Latour (1981), developed the broader concept of ‘government at a distance’ to explain how indirect mechanisms of rule are particular technologies of governance within modern liberal democracies. Governance occurs through a loose assemblage of actors and agencies, both state and non-state, all of which have their own particular goals. Alliances or relationships may form between these actors in a number of ways; for example, one organisation may depend upon another for funding or legitimacy, while another may argue that focussing on one particular goal is in the interests of another. Techniques of persuasion, rhetoric, and shared vocabularies all assist in establishing and sustaining particular relationships and networks across time and space and at a variety of scales (Miller and Rose, 2008). As well as controlling and governing the conduct of individuals ‘at a distance’, professional expertise is a particular tool used to govern the conduct of the ‘experts’ themselves (Thompson, 2008).

#### 2.4.1.3: The Complex Nature of Power

Foucault (1980) argued that power should not be thought of as existing in a linear chain, but as something that circulates, operates like a net, and which is never localised in one specific area (Miller and Rose, 2008; Morison, 2000). Actors, both state and non-state, constantly negotiate the spaces of government to achieve their goals (Rose and Miller, 1992). Government is a system of competing institutions, with



various goals, responsibilities, and functions all connected to changing spaces of power where authority is defended and maintained. Some assemblages of power may be based upon the opinions of experts, and are used to justify particular interventions (Miller and Rose, 2008). Others may take the form of policy and practice documents, or involve the actual giving of money, or the contracting out of services (Morison, 2000).

Foucault argued that power is everywhere, not because it embraces organisations and individuals, but because it comes from them. It exists beyond the state, and is a fluid, dynamic process, filtered down through many networks from one site to another (Foucault, 1980; Morison, 2000). Power is “a machine in which everyone is caught, those who exercise power just as much as those over whom it is exercised” (Foucault, 1980: 156). As such, the notion of power should not be considered as something repressive or negative. Power can also be productive; here, power relations between the state and its subjects may not be concerned with a removal of liberty, but instead may help people to become more empowered and responsible for their actions (Lemke, 2002).

#### 2.4.1.4: Shortcomings of Governmentality

McNay notes that while Foucault’s theoretical assertion of power is based on it being diffuse, productive, and neutral in nature, his historical analyses “tend to depict power as a centralised, monolithic force with an inexorable and repressive grip on its subjects” (McNay, 1992: 38). The reason for this, she argues, is because Foucault examined power only from the point of view of the institutions, and not from the position of those subject to it (McNay, 1992).

Nevertheless, Foucault’s depiction of ‘docile bodies’ appears to contradict his belief that power is diffuse and multi-faceted. His characterisation of modern society as ‘disciplinary’ has been criticised by Taylor (1986) and Kerr (1999), who argue that it portrays the individual as fully controllable, thereby limiting the possibility of effective counter-discourse. Kerr (1999) criticises Foucault’s ‘top-down’ conceptualisation of power, arguing that it portrays it as something from which humanity can never hope to escape. He argues that while Foucault does discuss resistance and freedom, these concepts remain both abstract, undefined, and “external to his analysis” (Kerr, 1999: 178).

Kerr also criticises the concept of governmentality as understood by authors such as Peter Miller and Nikolas Rose, believing that its broad definition of how various forces work in different ways to shape the lives of others can result in it becoming “an empirical abstraction whose conceptual boundaries remain unspecified” (1999: 192). He argues that both Foucault, and the wider body of literature on governmentality, cannot explain the reasons for both the change in the practices of government and the limits of governance.

A further criticism of governmentality is that the concept was developed with reference to advanced liberal democracies that operate on notions of freedom and liberty. However, authors have successfully applied the concept to other political systems (Kartas, 2007), with governmentality providing “an analytical approach that is readily suited to examining peoples beyond the imagined limits of these geographic and cultural spheres” (Dean and Henman, 2004: 489).

#### 2.4.2: Wellbeing and Governmentality

##### 2.4.2.1: Statutory Conceptualisations of Wellbeing

Throughout history, dominant conceptualisations of health and wellbeing have been in alignment with the political ideologies of the time (Atkinson and Joyce, 2009; Rose, 1999). The development of the technologies of surveillance in the 19<sup>th</sup> and 20<sup>th</sup> centuries meant that the health of the potentially ill, as well as the ill, could be monitored (Searle, 2008). Health was broader than the interactions between a doctor and a patient, and was viewed as a concern for society as a whole. Opposing views of what constitutes wellbeing, and how it should be measured, is one area of tension that exists between the state and civil society.

From the late 1940s onwards, wellbeing was the responsibility of national institutions, and was reflected by the government’s desire for a strong, universal welfare state. However, by the 1980s, it was increasingly seen as the responsibility of individuals (Atkinson and Joyce, 2009; Sointu, 2005). This corresponded with pressure from those on both sides of the political spectrum, who argued for increased choice, individual freedom, and an end to state dependency (Miller and Rose, 2008).

On the one hand, while modern liberal democracies sought to respect the independence and autonomy of individuals and organisations, on the other, they desired to shape their conduct based on their own particular conceptualisations of

wellbeing (Rose, 1999). Rose argues that we are not simply free to choose our lifestyles, but that we are “obliged to be free” (p87) within a “space of regulated freedom” (p22). Our individual desires are therefore always in alignment with political and institutional goals (Rose, 1990; Williams, 2000).

However, the downside of this ‘freedom’ is that if an individual engages with ‘risky’ or ‘deviant’ behaviours, then he or she is deemed responsible for what is essentially a failure to look after themselves (Brown and Duncan, 2002; Whiteford, 2010). The market and scope of ‘risk’ has been expanded, with greater emphasis being placed on how it can be avoided. Individuals have been increasingly advised to avoid particular lifestyles construed as unhealthy (Miller and Rose, 2008; Searle, 2008). The notion of self responsibility has been promoted, and maintaining a healthy lifestyle was considered to be something that all rational humans should automatically aspire to (Rose, 1999). ‘Responsible citizenship’ is seen as a major element of neo-liberal forms of government (Brown and Duncan, 2002), with risks previously seen as ‘social’, such as poverty and unemployment<sup>9</sup>, being increasingly constructed as a problem concerned with the individual (Lemke, 2002).

As well as being popularised through self-help books (e.g. Carlisle and Hanlon, 2008), ‘wellbeing’ has been increasingly promoted by politicians. For example, in 2010, David Cameron, the UK Prime Minister, expressed his desire to introduce questions on subjective wellbeing to the existing British Household Panel Survey (BBC, 2010). However, the promotion of personal wellbeing was criticised for being an easier and more popular approach than addressing societal inequalities through wealth redistribution (Carlisle and Hanlon, 2008). Normal emotional states, such as sadness, may be pathologised as a result of attempts to maximise happiness (Williams, 2000). The need for such states to be cured through counselling, medication, or a myriad of other choices is evidence of additional governance at the level of the individual (Carlisle et al, 2009; Williams, 2000).

#### 2.4.2.2: Wellbeing, the Third Sector, and Social Value

Organisations that follow a path maximising the wellbeing of their beneficiaries may find that support and legitimacy from the state is not guaranteed. Statutory organisations will be considerably more likely to fund projects that are cost

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<sup>9</sup> What was once known as ‘unemployment benefit’ was changed in 1996 to ‘job-seekers allowance’ (Armstrong, 2006), thereby establishing the recipient as an active seeker of employment.

effective to them, and which are therefore more legitimate in the eyes of a taxpaying public (Laratta, 2009a). Projects promising a reduction in client dependency on the welfare state are more likely to successfully obtain funding compared to organisations which do not have such goals, even if they provide a service that is valued (Dart, 2004b). In the tendering process, purchasing contracts from a social enterprise or third sector organisation is not always the most favourable option for the government, given that private organisations often offer the same service for less money (Munoz, 2009).

However, there is more to the success of a project than simply its cost effectiveness. An ‘added value’ approach is often necessary to win contracts and help those involved in the procurement process understand that cost-effectiveness is only one aspect of the criterion for success (Munoz, 2009). Proponents of this approach argue that some services are better value for money despite their higher cost. For example, improving the skills base of a deprived area can have long-term benefits to the local economy (Munoz, 2009). The state is aware that the benefits of an organisation are more than simply financial, believing that third sector organisations “offer added value in comparison with providers in the commercial or statutory sector” (NSPF, 2007: 17), which include such attributes as their ability to engage with the local community, a propensity to utilise innovative practices, and the cognitive legitimacy that comes with having a charitable identity (Dickinson et al, 2012).

In the 1990s, the concepts of social accounting and social auditing were developed as a way of understanding and measuring the social benefits that third sector organisations could bring to their communities. Organisations would thus further engage with and be more accountable to their key stakeholders, given that qualitative, as well as quantitative benefits, would become evident (Bridge et al, 2009). However, those attributes which could only be understood qualitatively, such as social capital, were often seen as secondary to harder outcomes such as employment creation (Portes, 1998).

The social goals of social enterprises and other third sector organisations cannot easily be measured by performance tools, as they are often intangible and based upon notions of trust (Dees and Anderson, 2003). Assessing the less tangible impacts of social enterprises was considered to be one of the biggest challenges facing both academics and practitioners in the field (Nicholls, 2009). However, social enterprises have been able to use this ambiguity to their advantage, with greater scope available to them to influence the perceptions of potential stakeholders (Teasdale, 2010a).

Because of an increased emphasis on commercial ventures, success is often defined by shorter rather than longer term outcomes (Dart and Zimmerman, 2000). The long-term aspect of social enterprise programs, coupled with their hard to measure performance, means that strong performance in the third sector may not be recognised (Austin et al, 2006). However, the social value which social enterprises and other third sector organisations bring may protect them from the same kind of consequences that commercial organisations face if they show poor performance (Austin et al, 2006). In some ways, third sector organisations have access to valuable, additional forms of legitimacy, based around their ethos, values, and social goals.

#### 2.4.3: Managing Statutory Demands and Expectations

Despite the power differences that exist between the state and third sector organisations, the latter can actively plan and resist the dominance of the former (Amin et al, 2002; Morison, 2000). Actors on the periphery of state control, such as civil society organisations, are capable of drawing upon a number of tactics to manage their relationship with more powerful stakeholders (Morison, 2000). These tactics are used either to obtain new sources of funding, or to avoid the ‘mission drift’ which is often an inevitable consequence of close partnership working with powerful stakeholders (Bennett and Savani, 2011).

Some organisations may choose to misrepresent themselves to external stakeholders should there be major differences in values or expectations. For example, in Amin et al’s (2002) study, one social enterprise which was strongly opposed to Thatcherite values adopted a business ideology to achieve particular goals (Amin et al, 2002). Third sector organisations have at times portrayed themselves as ‘community businesses’ to gain access to funding opportunities (Hayton, 2000). Ospina et al (2002) found that certain organisations emphasised their ties with the local community to obtain legitimacy with funders and the state, even where these ties did not exist.

The danger with such misrepresentation is that should the funder or external stakeholder discover the truth, the result would likely be a substantial negative impact upon an organisation’s legitimacy with the stakeholder in question. Unless a reasonable explanation could be provided for such divergences, the third sector organisation in question would be unlikely to receive future funding, support, or endorsement from this particular stakeholder (Oliver, 1991).

Impression management is one form of negotiation drawn upon by individuals and organisations to achieve favourable outcomes. Impression management, also known as ‘self presentation’ (Leary and Kowalski, 1990), is defined as “any behaviour that has the purpose of controlling or manipulating the attributions and impressions formed of that person by others” (Tedeschi and Riess, 1981: 3). Here, organisations or individuals do not misrepresent themselves, but instead, emphasise certain attributes whilst downplaying others in an attempt to create and maintain a specific identity (Bozeman and Kacmar, 1997). Organisations have a number of different masks which they can select from to achieve particular purposes, for example, to gain access to new sources of funding (Seanor and Meaton, 2008). Institutional pressures may be avoided through the practice of ‘symbolic compliance’, whereby an organisation will conceal any evidence of nonconformity to stakeholders, minimising the possibility of negative evaluation (Meyer and Rowan, 1983).

Holding multiple identities can help an organisation adapt or respond to the demands of external stakeholders (Albert and Whetten, 1985). For instance, Teasdale (2010a) found that when one of the social entrepreneurs in his research sought funding, he presented himself in such a way that conformed to “the expectations, interests and agendas of potential stakeholders” (Lounsbury and Glynn, 2001: 552). While the use of strategic behaviour on the part of the individual to gain desired outcomes has been recognised for centuries, Goffman (1959) was the first to conceptualise the theory of impression management in his book *The Presentation of Self in Everyday Life*. Goffman compares us to actors in a theatre who continuously attempt to control the impressions formed of them by the audience.

While the aim to manage the audience’s impressions is conscious, the particular strategies drawn upon may not be (Teasdale, 2010a). The creation and maintenance of a specific identity requires the strategic use of both verbal and non-verbal behaviour, the ultimate aim being that others will view the actor in a favourable light (Bozeman and Kacmar, 1997). The techniques and strategies of impression management differ depending on whether they are being used for short-term or long-term purposes (Tedeschi and Melburg, 1984).

Organisations and individuals are more likely to use techniques of impression management when the value of the desired goal increases, or when resources are scarce. The balance of power between organisations or individuals also plays a role,

with people being more likely to use impression management when dealing with powerful individuals or organisations (Bansal and Kistruck, 2006).

Discrepancies between desired and current image is another factor that can motivate people or organisations to use impression management techniques (Leary and Kowalski, 1990). The image we seek to portray is dependent on the other party's values and preferences. Impression management typically involves people selecting "from a myriad of possible self-images those that are most likely to meet with approval or other desired reactions" (Leary and Kowalski, 1990: 41). Even if actors engaging in impression management strategies portray themselves in a different way than they typically would, they will rarely lie to the other party, and instead attempt to omit information about themselves that they feel does not fit with the other party's values (Leary and Kowalski, 1990; Teasdale, 2010a). An actor may carry a back up script, recognising that an engagement may sometimes not go as planned (Bozeman and Kacmar, 1997).

When used in the context of studying organisations, this strategy is termed 'organisational impression management' (Teasdale, 2010). Social enterprises and third sector organisations may utilise impression management for several reasons. An organisation may emphasise the positive aspects of an organisation and its practice following positive outcomes. It can also be used to obtain favourable results during negotiation with funders (Leary and Kowalski, 1990; Teasdale, 2010a). The motivation of engaging in impression management techniques, according to Leary and Kowalski (1990), is to maximise reward and minimise punishment.

As well as being assertive in nature, impression management strategies may be defensive (Tedeschi and Melburg, 1984). Strategies may be used as a form of 'damage limitation', occurring in response to specific situational demands (Chen and Fang, 2008). It may also be used where organisations seek to regain legitimacy following controversial events (Arndt and Bigelow, 2000). An organisation may draw upon excuses or justifications following negative outcomes (Staw et al, 1983; Tedeschi and Melburg, 1984).

For a typical third sector organisation with a wide range of stakeholders and goals, organisational impression management can be an important tactic it can draw upon to maximise any available opportunities. Successful social entrepreneurs are capable of effectively changing personas in response to different stakeholders, thereby adapting successfully to the situation at hand. The use of 'audience segregation' allows

for the presentation of different faces to different audiences, with the awareness that those individuals the actor presents to in one instance will not be the same in another (Goffman, 1956; 1959). In some ways, meaning between the actors and the audience is ‘co-constructed’, with the actor being expected to play a certain role by certain audiences (Teasdale, 2010a).

Organisations that do not resist external demands may experience mission drift, eventually becoming little more than an extension of the dominant funder (DiMaggio and Powell, 1983). While organisations can maintain their internal legitimacy and overall ethos by limiting the number of individuals or organisations they work with, those that do so may have a considerably smaller budget as a result, thereby affecting their chances of growth or survival (Ospina et al, 2002). While ‘impression management’ is a potential strategy organisations can draw upon to balance their own needs with external demands from stakeholders, its successful use requires employees that are skilled at managing relationships with a wide range of individuals and organisations (Austin et al, 2006).

## **2.5: Conclusion**

This chapter sought to bring together relevant literature on third sector organisations and how they can be subjected to governance by the state. As has been discussed, the third sector has assumed varying degrees of importance throughout history, which is largely related to changing political subjectivities (Morison, 2000). In some respects, the popularity of social enterprise today is a direct result of a growth in neoliberal political discourse, with an increased emphasis on business principles, low taxes, and small government providing this model with the legitimacy necessary for it to thrive (e.g. Amin et al, 2002).

While on the one hand, social enterprises have been given the freedom to engage with social issues which, in previous years, had largely been provided by the state, they must also contend with increased statutory demands for evaluation and good practice (Morison, 2000). This may have a negative impact on their ethos, values, and ability to engage with hard to reach groups (Milbourne, 2009). However, the innovative nature of social enterprises can mean that they do not have to acquiesce to the external environment, but are capable of challenging statutory demands in a number of ways.



The aim of this thesis is to identify and explore, through a case study approach, the tensions between social enterprises and their stakeholders, investigating how organisations can absorb, resist, or negotiate these tensions, and how they can impact upon ethos and organisational values. It draws upon the theories and concepts discussed throughout this chapter; for example, the way in which Artspace was compelled to work in a specific way can be explained using the concept of governmentality, while the decisions the organisation made can be related to the desire to maintain ‘organisational legitimacy’.

As an organisation defining itself as both an ‘arts and health’ organisation and social enterprise, Artspace faced challenges commonly identified with both these organisational types. The organisation was required to balance the extent to which it engaged with ‘commercial’ activity with the desire to seek income from external funders, recognising that it, to a greater or lesser extent, would have to come to some kind of compromise between its own needs and those of its various stakeholders. At the same time, Artspace, like organisations from all three sectors, was influenced by the institutional environment in ways that were both subtle and obvious.

Artspace, like many other ‘holistic’ organisations, placed a considerable emphasis on demands that could be considered ‘intangible’, resulting in additional tensions between the organisation and its external environment. The empirical chapters of this thesis discuss, through individual ‘case studies’, how Artspace attempted to manage the tensions that it faced, for example, by adopting strategies of negotiation such as ‘impression management’, or by partial acquiescence to external demands.

## **Chapter 3: Research Design and Methodology**

### **3.1: Introduction**

This chapter begins by briefly stating the research aims and objectives. Following this, I discuss methods and methodology, and provide a rationale for the use of each particular method. I talk about my relationship with Artspace, explaining how I entered the field, how I positioned myself within the organisation, and how rapport was developed with staff and service users<sup>10</sup>. I also discuss the various research challenges I experienced, which include those ethical issues not mentioned elsewhere in this chapter, my own positionality, and the extent to which I was either ‘involved’ or ‘detached’ during my time in the field.

### **3.2: Research Aims and Objectives**

The overall research aim was developed jointly between the researcher and Artspace, the CASE partner organisation, and focussed on the tensions between the demands of the state and the values of the third sector. While this broad goal was kept in mind from the beginning, the specific examples used to answer the main research questions were identified only after I had immersed myself in the field and became aware of the various challenges and dilemmas that organisations may face (Bryman, 2008).

The overall aim of research was to *explore the tensions between the ethos and values of an organisation and the environment within which it operates*. Four specific objectives related to the overarching conceptual question posed by this thesis were identified.

- 1) *To explore the nature of ‘ethos’ with reference to social enterprises and other third sector organisations.*

This objective seeks to investigate how the ethos of social enterprises, arts and health organisations, and third sector organisations as a whole translates into their internal practice and policy. As previously mentioned, an organisation’s ‘ethos’ is the

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<sup>10</sup> I use the term ‘service users’ or ‘beneficiaries’ when referring to those individuals who attended Artspace activities for their own pleasure (thereby distinguishing them from volunteers). While Artspace used the term ‘participants’ to refer to its beneficiaries, I chose not to use this word to avoid confusion with the term ‘research participants’ - or those individuals who assisted me with my research in any way. Although the term ‘service users’ was avoided within the organisation as staff disliked its statutory and institutional connotations, I use it here for simplicity.

dominant value system that exists within it, underpinning the way it operates, how its staff relate to one another, and how the organisation relates to its beneficiaries (Monshengwo and Watt, 2003). Both arts and health organisations and third sector organisations as a whole claim to have a specific way of working with their clients based around inclusivity, service user freedom, and the ability to respond to new challenges in innovative ways (e.g. Johnson et al, 2011). However, the third sector ethos may be at odds with the value system not only held by the profit-focussed private sector, but also with that held by the statutory sector, which is generally more rigid in its way of working, slower to respond, and which has increasingly focussed on efficiency and value for money in recent years (Carmel and Harlock, 2008; Milbourne, 2009).

*2) To identify the tensions facing third sector organisations within a contemporary landscape of governance.*

This objective is framed by broader structures of power and surveillance, drawing upon work by authors such as Michel Foucault (and later commentators on governmentality such as Miller and Rose) to identify, describe and rationalise the tensions that exist between the third sector and the state.

*3) To explore the processes whereby an organisation absorbs, resists, and negotiates any tensions with stakeholders.*

Third sector organisations must balance the needs of their funders with those of their beneficiaries, while at the same time, obtain enough income to survive. Overall, this objective seeks to explore the strategies available to third sector organisations and social enterprises that allows them to balance internal and external demands with their own needs, wants, and ambitions. This it does through a case study of Artspace, an arts and health charity in the process of becoming a social enterprise. Artspace was considered a suitable organisation for the purposes of this study as it exemplified a typical third sector organisation in a number of ways, being fiercely independent and innovative in its way of working, while at the same time, being required to manage a variety of relationships with various actors, all with their own wants, expectations, and values.

- 4) *To draw out the implications of this study for third sector organisations as a whole.*

While this study is based on a case study of a single ‘arts and health’ charity in the process of becoming a social enterprise, it has wider implications for the third sector in general. This study seeks to identify how third sector organisations can manage any competing demands, investigates whether they can potentially (re)negotiate their relationship with powerful stakeholders to their advantage, and suggests alternative ways of working to minimise ‘mission drift’ in either the direction of the market or the state.

### **3.3: Research Design**

#### *An Organisational Ethnography*

In order to address the above research objectives, this project required an in-depth investigation into the daily life and workings of a particular third sector organisation facing multiple and conflicting demands. Organisational research does not simply study what people do, but considers “how they rationalize or explain the whys and wherefores of that work” (Manning, 2008: 684). An approach based on an ethnographic case study enables a researcher to gain an understanding of the tacit behaviours and processes occurring within a multi-stakeholder organisation which would not be possible to obtain using a quantitative approach (Crang and Cook, 2007). In addition, spending a considerable period of time working alongside an organisation was the only way in which it could be observed to evolve and respond to changes over the course of a year.

An ethnographic study typically involves a researcher participating, whether covertly or overtly, in people’s lives over an extended period of time (Hammersley and Atkinson, 2007). It is an iterative process, building on ideas obtained throughout the length of the fieldwork period (Fetterman, 2009). It could therefore best be described as being akin to a voyage or journey, rather than a simple confirmation of preconceived ideas, whereby hypotheses are developed, refined, transformed and tested over the course of research (Hammersley and Atkinson, 2007; Teasdale, 2010a). During an ethnography, it is not only answers that are to be discovered, but also those questions which are to be asked (Schwartzman, 1993). I began this project with broad

overall research questions, which I answered by focussing on a number of overt tensions within the organisation that came to light during my time in the field.

Ethnography is more than simply a 'tool' for conducting research, but has its own epistemological and ontological properties (Whitehead, 2004). Researchers from qualitative and quantitative research backgrounds not only differ in their choice of methods used to collect data, but also on the nature of reality, and on what methods should be used to attain the most 'authentic' outcomes (Guba and Lincoln, 2000). Those from positivist backgrounds adopt a detached approach to study, and emphasise separation between the researcher and research subject(s). They believe that this approach is the most suitable way to accurately capture the social phenomena in question (Smith, 1998). An ethnographer, on the other hand, is more likely to consider an involved approach as being more 'authentic' than a detached approach, allowing for an understanding of complex circumstances which the latter is unable to provide (Smith, 1998). Ethnographers recognise that their understanding of a particular situation is jointly constructed between the researcher and research subjects (Whitehead, 2004). One of the essential aspects of conducting an ethnographic study is the development and maintenance of a positive relationship between both parties; a process which typically cannot be achieved on a shorter timescale (DiCicco-Bloom and Crabtree, 2006).

Ethnographic methods seek to understand the lived experiences of a particular group, and attempt to make sense of people's subjectivities and other 'taken for granted' aspects of their lives, such as their relationships, values, and emotions (Cope, 2005; Robben and Sluka, 2007; Schwartzman, 1993). The ethnographic approach is idiographic in nature, and attempts to provide a detailed understanding of the group under investigation. This is opposed to the nomothetic approach, or the goal of creating generalisations, which is more common to quantitative research (Smith, 1998). Although the origins of the term 'ethnography' lie in 19<sup>th</sup> century Western anthropology, where it was used to refer to a descriptive account of a non-Western civilisation, it has since been applied to the study of culture and behaviour in Western societies (Hammersley and Atkinson, 2007).

Members of an organisation have their own specific cultural knowledge and behaviour which they use to interpret their experiences (Spradley, 1980). Ethnographic research methods allow researchers to document these 'taken for granted' ideas and practices (Schwartzman, 1993) and can help them identify and understand any

complex processes that occur within organisations (Hodson, 1998). The Hawthorne study in Chicago in the 1930s sought to investigate the relationships between fatigue and job satisfaction, and was one of the first organisational ethnographies (Schwartzman, 1993). It presented a strong case for the use of ethnographic techniques in an institutional setting, whereby instead of ‘hypothesis testing’, research became more akin to ‘hypothesis generating’, resulting in valuable findings which could not have been obtained through an experimental approach (Roethlisberger and Dickson, 1939; Schwartzman, 1993). Since the Hawthorne research, ethnographies have been conducted in a multitude of institutional settings and with many different goals in mind. The depth of understanding attained through ethnographic approaches can help researchers fully understand the context of employee or stakeholder behaviour and its consequences (Teasdale, 2010a).

#### *A Case Study Approach*

Researchers that adopt quantitative methods typically seek to generalise (Bryman, 2008). However, a quantitative approach is unsuitable for case studies of organisations with low numbers of staff and other internal stakeholders. In addition, many studies of single organisations have successfully adopted ethnographic methods (e.g. Van Maanen, 2011; Watson, 2011; White, 2009). Only through the use of an ethnographic, case study approach, is it possible to fully capture the essence of an organisation and gain insight into the challenges it faces. Limited numbers of research subjects are not a concern for ethnographers, who seek to “do less, more thoroughly” (Wolcott, 1990: 62). They typically focus more upon the ‘how’ and the ‘why’ rather than on the ‘how many’ or ‘how much’ (Van Maanen, 2011).

A case study is defined as a detailed exploration and analysis of a single event or phenomena which is unique, limited in size, and incomparable with other cases (Verschuren, 2003; Yin, 1993), thereby providing an in-depth and multifaceted exploration of issues in a real life setting (Crowe et al, 2011). While this approach may limit the transferability of findings to other social enterprises or third sector organisations (Short et al, 2009), it also enables a rich and detailed description of a particular situation or phenomenon (Lincoln and Guba, 2002). An additional benefit of the case study approach is that it allows for the use of a wide variety of methods, including interviews, filmic methods, participant observation, and analysis of pre-

existing data (Bloor, 1986; Crang and Cook, 2007; Hammersley and Atkinson, 2007; Yin, 1993).

The particular approach adopted in this study was that of an interpretive ethnography. It sought to uncover the network of shared meaning that existed within Artspace and the wider community, a process requiring high levels of engagement (Smart, 1998). While one may assume that all ethnography is ‘interpretive’ in nature, there is a distinction between the interpretive approach, where researchers attempt to view a community from an insider’s perspective, and a naturalistic one, whereby the social world is treated as if it were a natural phenomenon, with the ethnographer interfering as little as possible (Hammersley and Atkinson, 2007).

While I had an overall broad research aim, I was aware from the outset that the time I spent with the organisation would result in changes in my assumptions as research progressed (Bryman, 2008). I attempted to be open-minded at all times, and therefore did not enter the field with a pre-conceived notion of what I would find (Crang and Cook, 2007). At the same time, I recognised from the outset that I would always bring certain assumptions and ‘baggage’ with me, often at a subconscious level.

While my research was not considered ‘participatory’ in nature, I still engaged with service users and staff members as active rather than passive subjects, a process which can narrow the hierarchical power and knowledge gap that usually exists between the researcher and the research subjects (Berger, 2001). Research participants were given the opportunity to voice any concerns or issues that they had about the organisation, elaborate on their experiences with Artspace, and suggest possible improvements to my study. However, many of these concerns were not raised during the interviews, but in unstructured and casual conversations during the classes, or in some cases, outwith the Artspace environment entirely.

### **3.4: The Benefits of a Qualitative Approach**

As I approached this research from a certain perspective, my knowledge was always going to be partial, situated, and subjective (Crang and Cook, 2007; Hammersley and Atkinson, 2007). Mullings (1999) argues that the positionality of a researcher is shaped by a number of background factors, which include his or her sexuality and nationality, thereby directly influencing how they interpret their object of study. An ethnographer is part of what they are studying, and can thus not be fully separated from it. In some ways, ethnographic studies “are as much about the culture

of the student as they are of the studied” (Herbert, 2000: 563), with the direction of research being influenced by the researcher’s relationship with his or her supervisor, fellow colleagues, and even friends and family (Crang and Cook, 2007). However, the strength of the ethnographic approach is that unlike traditional, quantitative research methods, the researcher acknowledges her or his positionality (Crang and Cook, 2007). In some cases, this can even be used to the researcher’s advantage, providing a new perspective on research, for example, through the use of auto-ethnography (Coffey, 1999).

While it is therefore impossible for any researcher, whether utilising quantitative or qualitative methods, to discover the ‘ultimate truth’, should such a truth actually exist, my research still had to be systematic and convincing. I therefore sought to attain what Crang and Cook (2007: 15) refer to as ‘rigorous subjectivity’. This can be attained in three ways: through theoretical sampling, theoretical saturation, and theoretical adequacy. Theoretical sampling refers to the “process of data collection for generating theory whereby the analyst jointly collects, codes, and analyses his data and decides what data to collect next and where to find them, in order to develop theory as it emerges” (Glaser and Strauss, 1967: 45). The selection of research subjects was not simply to ‘make up the numbers’, or to be representative of the overall body of staff, practitioners and service users, but to provide useful information, multiple perspectives, and contrasting information. Glaser and Strauss argue that cases should be selected so as to produce as many categories and properties of categories as possible, and should also seek to identify and facilitate relations between these categories. As well as interviewing each Artspace-employed practitioner and paid member of staff, I selected a diverse range of interviewees from the service users and trustees to gain as broad a view of the organisation as possible.

Theoretical saturation occurs “where the range of arguments which can be made concerning a particular matter have been made” (Crang and Cook, 2007: 15). Near the end of my research, I became aware when interviewing staff and service users that they were touching on similar discourses and arguments to previous interviewees. In addition, my fieldnotes often duplicated what I had noted at times in the past, suggesting that theoretical saturation had been attained.

Theoretical adequacy is defined as “the degree to which a theoretical explanation developed from the study fits the data and is defensible” (Ary et al, 2009: 651). Ethnographers should attempt to understand the context of their studies, and the



similarities and differences to other research (Crang and Cook, 2007; Schütz, 1967). I conducted extensive reading into arts and health organisations and social enterprises as a whole, investigating how other researchers had interpreted different observations. Exploring “the tensions and commonalities between multiple perspectives on the research problem” (Crang and Cook, 2007: 15) added rigour to my own research, as I was aware of the variety of perspectives, some of which at times could be contradictory.

### **3.5: Entering the Field**

Although the period of fieldwork occurred between September 2010 and October 2011, I obtained an idea of Artspace’s characteristics prior to commencing research. I visited the organisation in November 2009, which provided me with an initial idea as to how I would approach the study. Ethical approval was granted by the Geography Department at Durham University, and met the guidelines outlined in the ESRC Framework for Research Ethics (FRE) (2012). Specific ethical concerns are discussed alongside each particular method.

Schwartzman (1993) argues that stepping into an organisation is the most significant stage in the ethnographic process. The majority of researchers must negotiate access into organisations they seek to research, having to contact the right people, promote their proposed project in a certain way, and present themselves in a specific manner, with no guarantee that they will be granted even an initial meeting with a key gatekeeper<sup>11</sup>, let alone be allowed to conduct research with the organisation in question (Crang and Cook, 2007).

However, gaining the trust of staff at Artspace was a comparatively trouble-free process, with several factors facilitating my entry into the organisation. Firstly, the link between Artspace and the Centre for Medical Humanities (CMH) at Durham University is strong and has existed for a number of years now, with both parties previously having benefited from this close relationship. Several of Artspace’s founders and other individuals with a strong personal stake in the organisation have a long history of working in partnership with each other, some of whom later became associated with the CMH.

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<sup>11</sup> Gatekeepers are described as “actors with control over key sources and avenues of opportunity” (Hammersley and Atkinson, 2007: 27).

Secondly, this PhD project was a CASE studentship in which the potential benefits were made explicit to Artspace, the partner organisation, from the outset. Researchers must usually outline the potential benefits to a host organisation before being allowed access, particularly when the relationship is in its infancy (Crang and Cook, 2007). Gaining access is often a challenge given that members of an organisation have their own pressing problems and issues to contend with (Hammersley and Atkinson, 2007).

However, Artspace staff helped co-define the specific aims of this project, and as such were 'on board' with, and committed to research at all times. In a sense, my path was "smoothed by individuals who act as both sponsor and gatekeeper" (Bryman, 2008: 407). While the positive reception I received could be partly attributed to Artspace's welcoming ethos, it was also partly because staff members believed that my work could ultimately benefit the organisation.

The relationship between I, the researcher, and Artspace was symbiotic in nature, with both parties believing that research would be mutually beneficial. On the one hand, I would acquire the necessary data for the timely completion of my PhD, whereas on the other, the CASE studentship would provide valuable benefits to Artspace, which was constantly seeking to improve its practice and maintain its inclusive and welcoming focus. I was, however, always completely independent of the organisation and its employees, and had no relationship with Artspace prior to commencement of the CASE studentship.

Finally, my own personality, and interests in art and photography, assisted with the building of rapport, and helped smooth my entry into the organisation. Hammersley and Atkinson (2007) state that research subjects are often more interested in the researcher, and in his or her characteristics, than in the details of the research itself. I endeavoured to build rapport by being helpful and friendly at all times, and I was open about my project and what I hoped to achieve. My past work with mental health day centres, both in the context of my MA research, as well as in a voluntary role, meant that I was already sensitive to the challenges that organisations may face when attempting to maintain a 'space of care' for service users on the one hand, whilst managing constantly shifting stakeholder demands on the other. Trust and rapport was initially built with both staff and participants through 'small talk' about topics not directly related to my research. A focus on ordinary topics of conversation, particularly

in the early stages of fieldwork, can help a researcher to establish “one’s identity as a ‘normal’, ‘regular’, ‘decent’ person” (Hammersley and Atkinson, 2007: 70).

Lawthom and colleagues (2007) outline the difficulties associated with gaining access to community arts and health organisations where initial rapport was non-existent. In Lawthom et al’s research, the researchers were denied access to the workshops as the artists believed that their presence would disrupt the atmosphere and lead to issues with trust and confidentiality. In my case, having initial links in place undoubtedly helped with access to groups and individuals.

Artspace’s staff were, from the very beginning, hugely helpful, and made the process of integration comparatively straightforward. When I visited the organisation for the first time, staff and service users were happy to answer any of my initial queries. After the research process formally began, staff members answered any follow-up questions via email. Before relocating to Moughton, I visited the organisation on two different occasions. I stayed in the area for several days on my second visit, gaining a feel for how the organisation operated, which helped to guide and inform how I would formally ‘enter’ the organisation later that year.

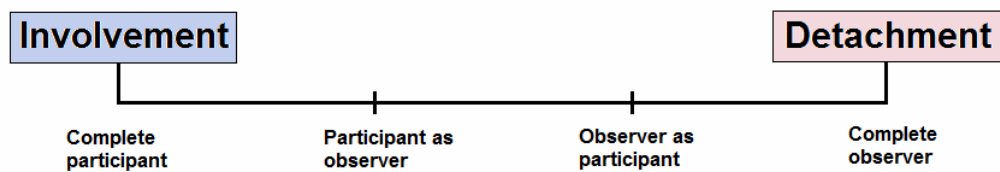
Relocating to Moughton was a comparatively simple process. Staff members helped me obtain accommodation in the town by virtue of their links with key members of the local community. They later introduced me to the various activities run by the organisation, advising service users and practitioners of my purpose. The Artspace staff also introduced me to a number of community organisations which I joined to overcome the isolation associated with a move to a new environment. Participating in organisations distinct from Artspace had the added advantage of enabling me to see how the local community worked, and how various community organisations interacted with one another.

Leaving the field is often a challenge for ethnographers, a process which must typically be negotiated (Hammersley and Atkinson, 2007), yet in my case, this was comparatively straightforward. The start of the new academic year in early October 2011, coupled with pressures to complete my doctorate within a comparatively short timeframe, necessitated the completion of all interviews by this date. While there were always new activities and developments occurring within the organisation, I felt that, at least in understanding the day to day interactions and atmosphere within the organisation, that I had achieved ‘saturation’ in my data (Bryman, 2008). I set a

specific leaving date, and told both staff and service users well in advance when I was leaving.

### **3.6: Rationale of Methods Used**

#### **3.6.1: Participant Observation**



*Figure 3.1: Gold's typology of participant-observer roles (Bryman, 2008; Gold, 1958)*

Participant observation is defined as “the relatively prolonged immersion of the observer in a social setting in which he or she seeks to observe the behaviour of members of that setting...and to elicit the meanings they attribute to their environment and behaviour” (Bryman, 2008: 257). Gold (1958) developed a typology of participant observer roles, detailing how participant observation exists on a continuum between complete involvement and complete detachment (figure 3.1). *Complete participants*, Gold argues, adopt an insider, covert position, interacting with research subjects as naturally as possible in what Agar (1980) would describe as an ‘emic’ viewpoint. In some cases, complete participants are already part of the group in question (e.g. Holdaway, 1982).

On the other extreme, *complete observers* do not take part in the social setting at all, and attempt to view the activity or phenomena in question from the perspective of the outsider (etic viewpoint) (Agar, 1980). Complete observers share certain characteristics with complete participants, namely that of the covert role, where the researcher “attempts to observe people in ways which make it unnecessary for them to take him [sic] into account” (Gold, 1958: 221). For instance, this would occur through such techniques as eavesdropping, or through the use of hidden cameras and microphones. Both complete participation and complete observation as defined by Gold is rarely carried out in research these days, owing to the ethical concerns associated with these approaches (e.g. Bryman, 2008; Crang and Cook, 2007).

Generally, my position would be best described by the *participant as observer* role. While similar to the *complete observer* role, research subjects are, however, aware of the researcher's purpose. I participated in the daily activities both informally and formally, being capable of adapting to the situation at hand. However, this was not a fixed position, and I had the flexibility to become more 'detached' or 'involved' depending on the time I spent in the field and what I hoped to achieve. For example, when interacting with staff members, I attempted to gain insight from an *etic* position when investigating the particular strategies they used to maintain a positive relationship with the organisation's stakeholders. This enabled an analysis of the phenomenon from an outsider's perspective, and attempted to be 'culturally neutral', whereby it could potentially be applied to other organisations or situations. In addition, the perspective of 'observer' was adopted for practical reasons. For instance, during team meetings, many of the topics of discussion were often outside my area of expertise, preventing me from fully contributing as a participant.

On the other hand, during participant observation in the art sessions, both my positioning and level of understanding of the activity was often similar to that of the service users. I could therefore adopt a more involved position in these instances, utilising an *emic* perspective to investigate the benefits service users ascribed to Artspace and the creative process. This allowed me to focus on documenting that which was meaningful to the service users themselves, and was achieved by exploring the perspectives and identities of the 'insiders' within the organisation (Hammersley and Atkinson, 2007).

Immersion in an organisation can help neutralise the power differences that exist between the researcher and the researched (Crang and Cook, 2007). Participant observation provided me with a sense of the Artspace atmosphere, and allowed me to reflect on my own experiences and interactions with service users (Coffey, 1999). As well as participating in the creative activities, I was provided with a desk space in the building where I could observe and engage with staff during the day to day activities. Casual conversation with practitioners and staff provided me with further insight into their roles, beliefs, and history with the organisation.

#### 3.6.1.1: Note Taking in the Field

I consciously tried to remain open to all sorts of sensory data once in the field, remaining alert at all times to the situation (Yates, 2004). I attempted to be aware of

how the built environment could foster inclusion and exclusion in both an intentional or non-intentional way, investigating how individuals utilised the spaces of the building (Hammersley and Atkinson, 2007). I also took note of how the smells, the sounds, or the general ambience (heat, lighting, etc) within the building affected me, recording whether I felt relaxed or uncomfortable at any particular moments in time. I kept note of how service users and practitioners related to each another, and how they interacted with the space in which the activities occurred. I sometimes noted down the actual words research participants used, for example, the use of specific terminology from staff members, recognising that these ‘situated vocabularies’ could help me to understand their positioning and background (Hammersley and Atkinson, 2007).

I took note of how I felt when negotiating access to classes, participating in activities, and when meeting new people. I kept a note of my own emotions, experience of moving somewhere new, my engagement with the creative process, and any personal challenges related to research. As well as keeping a record of what happened within the organisation, I noted down any relevant information concerning my presence in other community locations, recognising that the relationship between myself, the organisation and the wider community was important to my research.

Given my personal involvement in Artspace, I write in the first person in sections of this thesis, finding it a challenge to act as a ‘dispassionate observer’ (Teasdale, 2010a). While it has become increasingly common for researchers to write about their own experiences in the field (Berger, 2001), I took care to ensure that any personal reflections contributed theoretically and methodologically. I also attempted to ensure that research wasn’t just about me as an ethnographer, recognising the possibility that writing about my own experiences could shift the focus away from the views of those individuals within the organisation (Hammersley and Atkinson, 2007).

I took note of my experiences as frequently as possible so that I didn’t forget any important insights or experiences. Hammersley and Atkinson (2007) state that long periods of observation without interspersed periods of reflexive recording usually result in poorer quality data. I took notes in a discrete manner, doing so at quiet times so as to minimise disruption to practitioners and service users. I took notes concerning things that I did not understand at the time, recognising that ethnographers have found great significance in trivial or unexplainable observations after returning to their data in the months or even years after fieldwork had ended (Hammersley and Atkinson, 2007; Okely, 2011).

Some of my notes were ‘brief jottings’ while others were more substantial. However, no matter how detailed my fieldnotes were, I expanded these notes when I transferred them to my computer at the end of the day. An example of an expanded excerpt from my field diary is shown below, and relates to my experience of attending one of the Alzheimer’s group workshops.

In the class people were doing a variety of work – one man was doing printing using a press and carved aluminium, another was doing monoprinting with a piece of hard plastic (in the class we used soft acetate). Another person was doing artwork involving leaves. In general, people were capable of doing whatever they wanted, in whatever technique they liked. One of the women, the youngest in the group, often got emotional when discussing things with others. Her friend was there to help her though and chat with her. Jennifer (the practitioner) is generally helpful towards people and is happy to discuss anything that’s concerning them with those in question. Within the class there is a great deal of ‘peer support’ available, and people are happy talking about things with others who understand what they have been through. Two people had to drop out of the class, and the others there were genuinely upset at hearing this news (Excerpt from field diary, 11/10/10).

The character of my fieldnotes changed over time. At the start of my fieldwork, I recorded evidence of any activities or phenomena relating to the broad overall research question. However, as fieldwork progressed, my field notes became increasingly focussed as I identified cases and behaviours which I investigated in greater depth to answer the specific objectives of this project.

### 3.6.2: Semi-Structured Interviews

Semi-structured interviews are often used in ethnographical approaches to augment the data obtained through participant observation, thereby providing an element of triangulation (Bryman, 2008; Gillham, 2000; Hammersley and Atkinson, 2007). Interviews are not simply a means of ‘extracting’ data from research participants, but are a joint process of construction based on interpretive frameworks (Järvinen, 2000). Yates (2004: 156) draws our attention to the literal meaning of the word ‘interview’ – the way in which two or more people (inter) develop a shared understanding between them (view). Researchers utilise their “cognitive and emotional functioning” when listening to and attempting to understand the experiences of respondents (Hubbard et al, 2001: 125).

Interviews are not only influenced by the researcher’s epistemological or theoretical position, but also by the specific nature of the interview itself. For instance, contradictory and complex experiences are often condensed by participants into a neat,

linear timeframe (Järvinen, 2000). Despite these concerns, interviews can be a rich source of qualitative data. They enable researchers to collect large amounts of focussed data, which would otherwise be a challenge to obtain, either through unstructured qualitative techniques such as participant observation, or through quantitative techniques such as questionnaires (Blaxter, 1996).

All of the interviews conducted in my research were ‘semi-structured’, which, like structured interviews, are based around an interview schedule (see appendices 1-4 for typical schedules for service users, practitioners, staff and trustees). However, unlike structured interviews, the researcher is free to probe areas of interest and pursue the main concerns and issues identified by the research participant (e.g. Bryman, 2008; Yates, 2004). Interviewees are also capable of expressing answers in their own words, without the restrictions associated with structured interviews. The freedom of the participant to develop his or her own account was useful as it helped me to identify and explore any contradictions and complexities (Bryman, 2008). The flexibility associated with semi-structured interviews has resulted in them comprising the majority of in-depth interviews within social science research (Yates, 2004).

Interviews occurred between 21<sup>st</sup> July 2010 and 21<sup>st</sup> September 2011. Interviews with the various groups of people within the organisation roughly followed a specific order, though it should be stressed that there was considerable overlap between interviews with staff, practitioners, trustees and service users. Interviews with core staff members began in July 2010 when I visited the organisation for several days. Eventually I was able to conduct interviews with all core staff and leaders of the Artspace-run activities. I also conducted an interview with a practitioner who ran an independent group in the building by virtue of the strong rapport I had developed with her through being a regular participant in her class.

It was harder to make contact with trustees as many of them lived a considerable distance from Moughton, and unlike staff, service users and practitioners, they were rarely seen within the Artspace building. Some of the local trustees were busy with other commitments, and another two had only just started in their positions while I was there. Nevertheless, I was still able to interview three individuals.

In terms of the organisation’s service users, interview subjects were selected from those I had developed rapport with. While this approach was not random, and would be considered as opportunity or purposive sampling (Bryman, 2008), I still ensured that interviewees were representative of the overall body of service users who



used the organisation, based on factors such as age, sex, and frequency of attendance. Certain participants were selected as they had both “the knowledge desired”, and the willingness “to divulge it to the ethnographer” (Hammersley and Atkinson, 2007: 106). The benefits of selecting research participants I knew personally meant that they all appeared comfortable during the interview process, with one service user specifically mentioning this to me in an interview.

“I’ve never enjoyed interviews anyway but you make me quite relaxed” (Interview with William (service user), 22/07/11)

Another benefit of developing a strong rapport with service users was that I could ask them for feedback on the questions I planned to ask. I had a long conversation with one service user in particular, where I outlined what I sought to achieve in my interviews and discussed the overall nature of my thesis. This service user was more involved than others within Artspace, being aware of the particular challenges and dynamics which the organisation had faced over the years. Discussion with this particular individual, with whom I had developed a friendship and who had shown interest in my project, helped me improve the wording of questions so that they were better understood.

However, while I had developed a strong relationship with this individual, I was mindful of the need to avoid ‘privileging’ certain viewpoints, and so I sought to identify, through casual conversations and interviews with other service users, any issues they considered to be important. Interviews with service users occurred between 20<sup>th</sup> July 2011 and 21<sup>st</sup> September 2011.

Interviews were conducted in a number of locations. The majority of interviews with service users were conducted in an empty office in Artspace; a quiet space where there was little chance of being disturbed. Another interview took place in the main ‘creative space’ during a quiet time of day, while three other interviews occurred in service users’ homes. Interviews with core staff, practitioners and trustees took place in a variety of locations, including the main creative space, the main staff office, the empty office, and occasionally in the interviewee’s house. An interview with a trustee took place in a café in a neighbouring town halfway between Moughton and her house. However, despite the variety of locations, each interview was conducted in a place familiar to the interviewee. This helped provide a relaxing environment for the interviewee, and in some cases, provided me with additional insights into their lives (Herzog, 2005). For example, an interview with a service user conducted in the front

room of his home showed me just how much of an influence Artspace had on his life by virtue of the fact that his entire room was covered with paintings and drawings he had created during his time as a beneficiary of the organisation.

Artspace service users were each given an information sheet detailing the project's aims and objectives, what the interview data would be used for, the promise that the interview data would remain anonymous, and their right to withdraw from the study at any point. A copy of this information sheet is found at the back of this thesis (appendix 5). While some participant information sheets ask for a signed confirmation from research participants, I decided to obtain verbal consent only, given that the formal nature of requiring a signature may make some participants uncomfortable, or may threaten the friendship/rapport we had developed. Although I did not ask service users intrusive or uncomfortable questions, I still obtained feedback on their appropriateness from a core member of staff. The approved research ethics forms, which detail to a greater extent how these ethical issues were managed, are found at *appendix 6*.

Staff members, practitioners and trustees were not given a copy of this information sheet as they were all aware of what my research entailed; however, they were each given a brief verbal summary of what the interview was about, their right to withdraw, confirmation that what they said would remain anonymous<sup>12</sup>, and the opportunity to provide feedback on my findings.

While I ideally wanted to record all interviews with staff and service users, I understood that some interviewees would feel daunted by the presence of the tape recorder, and I therefore made it clear that I was happy to conduct the interview without it. All interviews conducted with core staff (18 interviews, 7 individuals) and trustees (3 interviews, 3 individuals) were recorded. Eight interviews were conducted with 8 practitioners, of which seven were recorded. Fifteen interviews were conducted with 15 service users, with twelve people giving their permission to be recorded. While multiple interviews were conducted with a number of staff members, these were not serial interviews, given that they asked different questions on each occasion. One interview that occurred considerably later than the others (in January 2013) featured two members of staff, and had the primary purpose of filling in any gaps in research.

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<sup>12</sup> A number of other staff and interviewees at Artspace stated that they would be happy to be referred to by their real names in my thesis. However, as some people stated that they would prefer to remain anonymous, the decision was made to anonymise all named interviewees, the name of the organisation, and the name of the town.

Organising and gaining permission for interviews was a comparatively simple process; however, some service users and staff members had to reschedule owing to work commitments or changes in their mood on particular days. There were occasional interruptions to interviews, which at times disrupted their flow; for example, I had to pause one interview to allow the interviewee to answer the telephone, as she happened to be the only staff member in the building. However, it should also be noted that all people who I asked for an interview were happy to oblige.

“...I hate your silences...I’ll go on more if you let me” (Interview with Sofia (service user), 20/09/11)

I experienced no real difficulties in the interviews themselves, with interviewees being happy to answer all my questions. Occasionally I had to probe for clarifications or additional information (Hammersley and Atkinson, 2007). Some interviewees negated the need for additional probing by asking me whether they had provided a satisfactory answer. If any additional information was required, I simply asked them to elaborate further. Some interviewees were slightly unnerved by the fact that I waited a brief period of time after they had finished speaking before I myself spoke. I had to explain that this was a particular technique used by the interviewer to ensure that the interviewee had finished saying everything that she or he wanted to (e.g. Crang and Cook, 2007; Kvale, 1996). I also offered interviewees the opportunity to comment upon any issues which had not been raised at any point during the interview (King, 2004).

Several of the staff members appeared highly passionate about the organisation and their roles. These interviews drifted away from the main question at times, becoming unstructured in nature. Some interviewees used stories and storytelling to illustrate their points, a common technique that individuals within organisations draw upon to make sense of their experiences (Schwartzman, 1993). While I could have used techniques to bring the interviews back on topic, letting the interviewee talk in this manner uncovered valuable information about their philosophy, beliefs, and personal challenges (King, 2004). Moreover, one interviewee remarked that the dialogical aspect of our interviews was highly beneficial to her.

Interviews became more akin to a dialogue in different ways. Sometimes, after asking a particularly topical question, the interviewee asked me for my own opinions. King (2004) believes that this is often a good sign that the interviewer has developed a

strong rapport with the interviewer. While I always obliged, I ensured that I brought the interview back on track before it drifted too far away from its original purpose. However, the danger with the interviewer stating his or her personal views is that it may bias the interviewee's subsequent responses, in the same way as asking leading questions can (King, 2004). In hindsight, I should have answered these questions at the end of the interview.

Sometimes interviewees were reluctant to divulge information that was considered to be sensitive or controversial in nature. In one instance, the interviewee asked me to stop the tape recorder before she revealed some particularly sensitive information about a powerful actor within the local community. Other interviewees allowed me to continue recording, but asked me to ensure that their ideas remained anonymous or were conveyed implicitly. Some of the most interesting data can often be the most controversial, having the potential to upset others or disrupt the environment within an organisation (Bryman, 2008).

Following the interviews, I sought permission from interviewees that I could directly quote portions of the transcriptions. While people were generally happy to let me use anonymised quotes, one interviewee did take issues with one portion of a particularly sensitive quote and asked me to shorten it slightly.

### 3.6.3: Pre-Existing Documents

Pre-existing data are often used by researchers to augment primary data obtained during fieldwork (Clark, 2005), and provide information about the setting, the wider context, and the key individuals involved in an organisation (Hammersley and Atkinson, 2007). In my case, these data were invaluable when it came to obtaining further information about past evaluations, projects, and organisational developments. While I had obtained some evidence of Artspace's previous work from interviews with key staff members, obtaining contextual information from written reports provided me with a more complete and thorough account. In addition, time and resource constraints prevented me from obtaining contextual information using primary research methods alone.

Nevertheless, there can be a number of issues with pre-existing evaluations or reports. For example, I had no control over how information was collected, or whether any important information was deliberately excluded or censored (Bryman, 2008; Hammersley and Atkinson, 2007). In addition, each of these reports was written with a

specific audience in mind. For example, certain reports that were read by funders and other external stakeholders had a more official emphasis on good practice, adherence to guidelines, and the organisation's effectiveness at meeting outcomes. Other pieces of documentary evidence, particularly those used for publicity purposes, were written like a brochure, and emphasised the unique aspects of the organisation and its potential benefits to individuals and the wider community. Internal documents, such as the business plan, appeared to be comparatively neutral, though I was also aware that they had been written with their own, specific goals in mind.

As my project was concerned with the current challenges facing the organisation, the use of pre-existing documents was kept to a minimum. Nevertheless, there were several documents that I found insightful. One was an evaluation document prepared for the Arts Council in 2009, outlining the key achievements, directions the organisation had taken, and specific organisational developments, such as its experimentation with social enterprise activity. Other important documents included a contract form with the local authority, previous funding bids, Artspace's 2010-2013 business plan (and later the 2012-15 business plan), and several publicity documents written by external organisations, which discussed how Artspace was an example of 'good practice'. The publicity documents were useful as they provided me with an idea of the organisation's overall ethos and how it was conveyed. In addition, they also contained a number of photographs of the old Artspace and examples of the previous activities the organisation had run. While pre-existing photographs are self-selected documents, taken for a specific purpose (Crang and Cook, 2007), they also provided an important visual record of the activities and atmosphere. When service users spoke about the homely environment of the old building, these photographs helped me understand what exactly they meant.

#### 3.6.4: Photography

The use of photography is one of a number of 'filmic approaches' utilised in ethnography (Crang and Cook, 2007). While it is often assumed that a series of photographs taken by a researcher is a factual record of their time in the field (Ball and Smith, 1992); in reality, they are taken with a specific aim in mind (Hammersley and Atkinson, 2007). Harlan (2009: 441) states that photographs should not be seen as representations of historical fact or as authentic representations of the world, but as "subjective views, taken with specific intentions by individuals under particular

circumstances that are set within a wider cultural framework”. Although they provide an ‘analogically perfect’ representation of a visual image, any political or contextual aspects are often masked, or are not apparent to any viewer (Bleiker and Kay, 2007). Nevertheless, the use of photography can be an effective way of complementing field notes, either as a way of illustrating work, or as a data source in its own right (Bryman, 2008; Crang and Cook, 2007). Photographs can “capture issues in succinct and mesmerizing ways” (Bleiker and Kay, 2007: 140), and have been described as serving as “visual quotations” (Sontag, 2003: 22).



*Figure 3.2: The Dales fabric mural – a project involving the quiet art group*

I took many photographs throughout my period of fieldwork. While I was occasionally asked to take photographs of objects or activities by staff, I also photographed ‘day to day’ activities that interested me. Along with documenting the Artspace building and the activities held by the organisation, I attempted to capture the ethos of Artspace through visual methods. This generally involved photographing service users and practitioners during the art classes, focussing on their engagement with the activity at hand. I attempted to use photography not simply as a way of illustrating my data, but as a visual narrative, used, for example, to document the development of a specific piece of artwork over time. *Figure 3.2* above shows the various stages of the creation of a mural depicting the Yorkshire Dales, which was eventually displayed in the doctor’s surgery of a nearby village.

Artspace, as a matter of course, asked all service users whether they were happy being photographed. During public events, such as the lanterns workshops, boards stating that photographs would be taken were prominently displayed. However, even so, I ensured that I obtained verbal permission from people before taking a close up photo of either themselves or their children, stating that these photographs would either be used in Artspace' publicity materials, or to illustrate my thesis. When communicating my findings to a wider audience, through journal articles for instance, I again asked service users for their permission, describing exactly what the photographs would be used for. Photographing outside events such as the lanterns procession was more straightforward as they occurred within a public space, and thus it was not necessary to obtain permission (Crang and Cook, 2007).

### 3.6.5: Data Analysis

Each interview was transcribed as soon as was practically possible. After it had been transcribed, I read through it a number of times and summarised the main points made by the interviewee as a way of getting to know the data and its context before conducting in-depth analysis (Hammersley and Atkinson, 2007). I also listened to the audio files following transcription to pick up any important pauses, audible displays of emotion, or anything else that had been missed during the transcription process. Overall, the analysis of the ethnographic data was an iterative process whereby I had a broad initial question that I sought to investigate. The particular direction that analysis took emerged during the process of the ethnography itself (Murphy and Dingwall, 2007).

The interview transcripts (and typed-up field notes) were analysed based on an 'open coding' approach, whereby each sentence or phrase was considered in turn and assigned a code based on specific topics/themes identified in the data (e.g. Bryman, 2008; Crang and Cook, 2007). Codes were co-produced between the data and my own research interests. This thematic analysis occurred concurrently with data collection. It drew attention to emerging themes, and allowed me to further refine my research questions (Charmaz, 2000). I used the software package *NVIVO 9*, which made it considerably easier to both sort and retrieve coded data.

The open coding approach led to more selective, or focussed coding, whereby I adopted a strategy akin to what Glaser and Strauss (1967) refer to as the 'constant comparative method'. The specific categories deemed central to my analysis were

examined in greater depth, whereby their meaning was clarified and their relation to other categories was further explored (Hammersley and Atkinson, 2007). Sometimes codes which were vague at first became more specific and clearly defined – for instance, the broad code ‘benefits of the organisation’ was further analysed to provide a range of codes which included ‘positive atmosphere’ and ‘enjoyable activities’. Sometimes this approach worked the other way around – for example, the code ‘service user accessibility’ became a sub-code of ‘attracting new service users’. Codes were amalgamated if they were similar to each another.

As new categories emerged, I returned to the previously coded data to see whether they contained any examples of these new codes (Hammersley and Atkinson, 2007). While the majority of the data were given a code (or, in many cases, multiple codes), there was the danger that attention was deflected from uncategorised activities (Atkinson, 1992). Returning to the uncoded data was thus necessary at times. The full list of both parent codes and sub-codes can be found in *appendix 7* at the back of this thesis.

Analysis focussed on how research participants ‘performed’ social life, looking at the specific strategies used to achieve certain goals (Hammersley and Atkinson, 2007). It focussed on both the routine activities which occurred within Artspace, but also on those occasions where ‘performances’ failed, and how those involved responded to these problems. Analysis also looked at some of the more ‘unspoken’ or ‘taken for granted’ aspects of the organisation; for instance, those informal regulations that guided and shaped everyday conduct (Hammersley and Atkinson, 2007).

### **3.7: Positionality**

While initially my role within Artspace was passive in nature, I gradually became more active as I familiarised myself with the organisation, and developed rapport with artists and other paid employees. I had a number of ‘hats’ which I could wear depending on the situation, and was able to assume the role of a volunteer, a service user, and even a practitioner at various points in time, being able to quickly change identity where necessary. Such an approach, based around ‘triangulated enquiry’, is useful in ethnographies, as it allows the researcher to gain access to various forms of data (Hammersley and Atkinson, 2007; Seigniny, 1981).



“...I think Peter, you have slotted in to Artspace and what happens here perfectly, but, what I was trying to get back at is that you’re not actually management, but you do a lot of your work with management, and yet you do a lot of activities on the ground floor, and you fit in...” (Interview with William (service user), 22/07/11)

Organisations are comprised of a number of individuals, each with their own particular roles, who interact with one another in different ways (Schwartzman, 1993). I attended a number of meetings within the organisation, such as the weekly staff meeting, service user consultation meetings, and meetings for arts and health practitioners. I was therefore able to hear several sides of the same story and take note of any contradictions or instances where information was either withheld or reported differently depending on the audience in question. Having a designated space in the Artspace office provided me a greater understanding of the ‘backstage’ environment within the organisation, where I could learn about day to day procedures and organisational challenges through informal conversations with staff (Goffman, 1959). Staff members trusted me enough to grant me the use of a key to allow me to access the building whenever I pleased.

In some instances, I found it a challenge deciding when to engage with a particular role. For example, while the weekly staff meetings provided me with valuable information concerning changes and proposals within the organisation, at the same time, it overlapped with a period of time before the formal start of activities, when service users informally interacted with each other over a hot drink. Being in one particular place at one time meant I may have potentially missed out on particular interactions, behaviour or conversation occurring within another.

While I was often unaware of it at the time, in retrospect I have come to recognise that I utilised ‘impression management’ when engaging in informal organisation with various groups within the organisation (Hammersley and Atkinson, 2007). For example, when talking with participants, I believe that I was more sympathetic to their concerns surrounding any unpopular or controversial decisions, whereas in conversation with core staff members, I appeared more understanding of the reason for such decisions.

At all times I remained aware of the possibility of particular individuals adding undue weight to my project. Hammersley and Atkinson (2007) state that key gatekeepers can influence the direction of a project, and may close off certain areas of enquiry. In some ways, research may be “bounded by the social horizon of a sponsoring group or individual” (Hammersley and Atkinson (2007: 59), with the

researcher finding it difficult to remain independent. In addition, gatekeepers have particular expectations of a researcher. They may expect him/her to act as an evaluator, attempt to guide research in a certain direction, or divert attention away from sensitive or controversial areas (Hammersley and Atkinson, 2007).

I assisted the organisation in a number of ways during my time in Moughton. Sometimes this was in simple ways, for instance, by posting a letter, or by going to a local shop to get a photocopy of a document made. My main contribution to the organisation came through photography. I volunteered to photograph the 2010 lanterns workshops and procession, and soon the organisation was using me as an unofficial photographer for various events throughout the year. Having been successful in attaining Arts Council funding for the 'My Last Carnival' event in May/June 2012, Artspace offered me money to document the event as their official photographer. However, as staff had been so helpful to me, and to preserve the excellent relationship I had developed with the organisation, I accepted expense payments only.

I maintained a strong relationship with the organisation and those associated with it throughout the length of my stay in Moughton and beyond. Staff members were helpful at all times, frequently directing me to reports I should read, forwarding important information to me, and suggesting people I should speak with. After leaving the field, I kept in touch with staff and service users and occasionally returned to the area to visit. One of the key staff members was happy to accommodate me in her house whenever I wanted to return for a few days. Staff also endeavoured to keep me updated with new organisational developments via email.

### 3.7.1: Balancing Involvement with Detachment



*Figure 3.3: Being a full participant in the organisation gave me the opportunity to try out many new art forms. I drew this picture of a gull's profile using soft pastel in the Wednesday (open) art group.*

Fieldwork provided me with the opportunity to participate in a range of new creative activities (figure 3.3). Before relocating to Moughton, I had not participated in group singing since primary school, and I probably would not have participated again had I not been persuaded to attend the class as a full participant. At no stage did I feel particularly 'out of place', which could be testament to Artspace's universal and inclusive way of working. I even continued participating in certain activities upon leaving the field. However, while I found the creative process to be extremely enjoyable on the one hand, it was also difficult at times to maintain a reasonable level of 'detachment', and remain focussed on research.

While my position within the organisation was one of involvement, I also had to remain critical at all times. Alfred Schütz suggested the 'postulate of adequacy', whereby ideas had to link scientific knowledge with lived experience (Schütz, 1962). Schütz's position can best be described as a middle ground between being fully detached and fully involved with an object of study. To illustrate his position, Schütz uses a city as an object of analysis, suggesting three ways it could be researched. The *cartographer* occupies the position of the detached observer, who may be able to research the city using observation alone, but who is not able to gain the meaningful insight that can come through involvement. On the other hand, the *person on the street*

is fully immersed in the city as a participant, but may lose sight of the wider aims and objectives. The third viewpoint is that of the *stranger*, who experiences the city firsthand, yet maintains a level of awareness and does not lose sight of the bigger picture. For Schütz, the third approach draws both upon methodological rigour and lived experience, and is thus considered to be the best compromise (Smith, 1998).

### *An 'Outsider's' Perspective*

Being an outsider had both its benefits and disadvantages. On the one hand, I was not aware of the history and characteristics of the local community, and thus had to obtain this information from interviews, informal conversations, and pre-existing data; a process which took considerable time. On the other hand, my status as an 'outsider' enabled me to note certain characteristics of the local community which existing community members took for granted. As an incomer to Moughton, I was able to observe the way that community members and Artspace service users responded to my arrival. I also experienced the challenges of forging links within the community, and the related issues of social inclusion and exclusion.

I had to adopt a position of 'involvement' to be accepted into groups. Artspace has always been open to visitors, including artists and students on university placements, and while the dynamics of groups had been affected by visitors in the past, this was less to do with the presence of new individuals, and more to do with how these individuals presented themselves. One staff member acknowledged that visitors who looked informal and 'arty' had usually been able to negotiate themselves into groups, often through their willingness to engage with service users, whereas visitors who were more 'official' or detached were seen as almost threatening, owing to both real and perceived power differences. Schwartzman (1993: 48) argues that, at the start of a period of fieldwork, those within an organisation "will make sense of the researcher in the way that they make sense of all other strangers who appear and begin to ask many questions". Observation, particularly at the early stage of the research process, is a two-way process (Schwartzman, 1993).

While it was comparatively easy for me to be accepted into some groups, such as the men's art group or the creative writing group, it wasn't so straightforward in other cases. For instance, one group was aimed at people who either experienced cancer themselves, or cared for someone who did. While I was always welcomed by the group's members, I myself never felt that I truly belonged within it because of my

situation. I was not simply an ‘insider’ or ‘outsider’ in the organisation as a whole, but my positioning varied depending on the particular ‘micro-spaces’ I passed through and interacted with, both within the building and the wider community.

### 3.7.2: My Relationship with Service Users

Some commentators have argued that it is necessary for the researcher to be part of the group being studied, so they “have the subjective knowledge necessary to truly understand their life experiences” (Miller and Glassner, 1997: 105). Others have argued that researchers have more successful interviews if they are close to those being researched in terms of interests, background, and age, as they are able to build up a more effective rapport (Kane, 1990). On the other hand, being too similar to research participants may mean that the researcher can miss things which are apparent to people from a different background, often taking certain beliefs or behaviours for granted (Bhopal, 2010).

As people of different ages and backgrounds attended Artspace activities, I felt that, despite my background as a research student, I could also fit the role of a service user, and on one instance, a new practitioner *did* assume that this was the case at first. I feel that I would have utilised Artspace, or an organisation like it, if it existed in my home town, and therefore in some ways I did not feel like an outsider. While Hammersley and Atkinson (2007) state that in some cases, researchers must adjust their personal appearance and manner to assist with rapport-building in an organisation, I, on the other hand, largely felt comfortable just ‘being myself’.

It is here that I should mention that like many of Artspace’s service users, albeit often to a lesser extent, I experienced my own health challenges. On certain days, when I didn’t have the inclination or ability to act in a research role, I found that I was as welcome to use the organisation as a way of escaping my worries as much as any other service user.

There is a danger to ethnographer researchers of ‘going native’, where the researcher may either forgo his or her academic role in favour of participation, or where the data may be biased from ‘overrapport’ (Hammersley and Atkinson, 2007). In some ways, I found it hard to remain detached from the organisation, and became too close to its ‘ethos’ in some respects. In a sense, I thus had a competing sense of loyalty both to my research on one hand, and to the organisation and those associated with it on the other.

In other ways, I felt that my transient presence within both the organisation and the wider community prevented me from feeling like I truly belonged. One service user, familiar with my role as a researcher, described me as existing essentially in ‘limbo’, whereby I was neither a service user nor employee. This sense of detachment, albeit minor, did help me ‘step back’ from the organisation at times and maintain a more marginal position (Hammersley and Atkinson, 2007). Researchers often simultaneously feel part of, yet detached from, the community that they are involved with, and this positioning can assist with the development of creative insight (Hammersley and Atkinson, 2007).

I developed friendships with several service users which have persisted through to this day. Some commentators argue that the researcher should maintain professional distance from the subjects of research, as this may raise the possibility of vulnerable research participants experiencing harm (Smyth and Williamson, 2004). The researcher may also feel obliged to maintain contact with participants long after research has ended (Hammersley and Atkinson, 2007). There is also the possibility of the researcher losing his or her objectivity, and drifting from the academic role (e.g. Fontana and Frey, 1994; Gold, 1958). Ellis (2007: 4) discusses how relational ethics, which “recognizes and values mutual respect, dignity, and connectedness between researcher and researched” is traditionally not discussed in the ethics literature. Much of it, she argues, is “grounded on the premise that research is being done on strangers with whom we have no prior relationships and plan no future interaction” (Ellis, 2007: 5).

However, after relocation to Moughton, I found that maintaining distance was both impractical and undesirable. The nature of the wider community meant that many Artspace service users utilised other community groups which I participated in, and I often met people I knew from the organisation in local shops or pubs. While Artspace recommended that artists and staff maintain professional distance from service users, in reality, people that I spoke with mentioned that this was rarely possible because of reasons similar to those which I identified. In addition, Crang and Cook (2007) note that it is common for personal friendships to emerge between researchers and researched, which can often persist long after fieldwork has ended.

Having a close relationship with service users on the level of friendship had several benefits. I found that the service users with whom I had built up close contact with were more likely to ‘open up’ to me about specific concerns they had, for instance,

about the way the organisation was run, or about their relationship with fellow service users, staff, practitioners, and the wider community. However, on the other hand, as service users saw me as a friend, rather than as a researcher, they divulged information to me which at times was confidential or sensitive. On these occasions I had to step back from the relationship and briefly return to the persona of researcher, by asking service users whether I could use this information in an anonymised and non-identifiable form. Nevertheless, these requests were often granted with minimal effect on our relationship. Another challenge with developing close friendships with service users was that I myself had to manage the two, often competing objectives, of my role as researcher and my role as a friend.

Service users generally enjoyed assisting me with my research. Evidence from numerous studies elsewhere has found that research participants enjoy being able to contribute and have their voice heard (e.g. Hutchinson et al, 1994; Townley et al, 2009). Although the interview process may unnerve or upset some participants, particularly those from vulnerable backgrounds (Crang and Cook, 2007), service users did not appear to be visibly upset by any of the issues raised in my research as far as I was aware. However, the questions I asked people were largely concerned with their relationship to Artspace, how they had benefited from the organisation, and their relationship with the local community, rather than any specific, intimate questions concerning their health, or any traumatic experiences that they had faced.

### 3.7.3: Additional Ethical Considerations

It has long been known that the researcher's presence in the field affects research participants in some way or another (e.g. Bryman, 2008; Crang and Cook, 2007; Silverman, 2006), particularly if he or she had chosen to adopt a position of 'involvement'. The issue of researcher reactivity is a concern not only when the researcher enters the field, but also on leaving it. Conradson's (2003) research into a suburban drop-in centre is a prime example of this. He mentions that several months after his research ended, a particular client ceased attending. He partly attributes this to changes at the centre, whereby three volunteers and himself had left in a short space of time. Conradson believes that this change "disrupted the relational community he [the client] had become familiar with" (Conradson, 2003: 518), which he confirmed through discussion with other users. This is not an isolated case. It is recognised that in an ethnography, research participants "must adjust to the fact that someone they have

come to see as a friend is going to turn back into a stranger” (Hammersley and Atkinson, 2007: 95).

While recognising that my presence would change the dynamics of the sessions in some way, I explained to service users and staff that I would only be around temporarily, and clearly stated when I would leave the field. During long periods of participant observation, particularly if the researcher is highly involved in the organisation, research subjects may forget that she or he will not be around forever (Bryman, 2008).

I also promised to keep in close contact with both staff and service users, and made frequent visits to Moughton to discuss progress with my research, learn about changes within the organisation, or simply just to see how people were doing. While Artspace had a low turnover of service users, testament to its success at providing a safe environment and enjoyable activities, people did arrive and depart over the course of the year. Positioning myself as a full participant within the classes was a strategy that not only helped me build rapport with service users and experience the ‘Artspace ethos’ for myself, but also meant that when I did leave, I did not disrupt the atmosphere of the classes as greatly as I could have if I had adopted a more formal or detached role.

Other ethical challenges were concerned with people’s understanding of my role as researcher. Research participants may forget that they are being studied, particularly if fieldwork takes place over a long period of time (Crang and Cook, 2007). As a full participant in the organisation’s activities, I was aware that regular attendees may have been likely to consider me as ‘one of them’. I therefore reminded them of my role from time to time, often in subtle ways, as a way of maintaining trust (Ellis, 2007). I felt that I was perceived both as a researcher and as an attendee by others within the organisation. For instance, during my occasional visits to Artspace after returning to Durham, hearing questions such as “will you be coming to creative writing this morning?” were not uncommon.

At times, particularly during large, ‘one-off’ events such as the lanterns workshops, it was impossible to explain the nature of my presence to everybody in the vicinity. Some have argued that while in theory the researcher should endeavour to make her or his presence known; in reality this can be difficult or impracticable, particularly if research involves working with large organisations or groups of people (e.g. Calvey, 2008; Hammersley and Atkinson, 2007; Punch, 1986). Announcing my



purpose to people within the workshops would have negatively affected the atmosphere. In addition, ‘covert’ observation in this instance was justifiable given that I didn’t focus on any specific, identifiable individuals, but simply on the way that people engaged with the lantern-making process.

A final challenge was concerned with maintaining a positive relationship with Artspace after fieldwork came to an end. There is the possibility that research subjects, particularly those who an ethnographer has developed a close relationship with, may feel that they have been betrayed in a sense (Emerson, 1995; Hammersley and Atkinson, 2007). For example, the researcher may subject their opinions or their organisation to critical analysis, or may not tell their stories in a way they want to hear. While on the one hand I always endeavoured to respect my ethical duties as researcher, I believed that this did not have to act as a barrier to critiquing the internal structures of the organisation.

However, I believe that outlining any criticisms in a constructive way, and by promising to follow this up with discussions with staff after the research process ended, allowed me to maintain the close relationship I had developed with the organisation throughout the period of my doctorate, and helped staff understand the rationale for any critique of the organisation and its practices. Ethnographic writing should be reflexive in the sense that it should account for the potential audiences of the finished work (Hammersley and Atkinson, 2007). I plan to produce several reports for Artspace at various levels of complexity, so that everyone within the organisation, from service users through to trustees, can learn about my research and its implications.

### **3.8: Other Challenges and Possible Improvements**

A number of shortcomings were identified following the completion of fieldwork. The limitations of this project were largely related to the research method itself, or were associated with particular aspects of the research design and data collection. While a number of concerns were identified with the case study approach, which included its limited perspective, potential for bias, and lack of generalisability (Royce, 2007), these challenges were inherently bound up with the choice of research methods. While several shortcomings associated with the research design and data collection were identified, they were, in many cases, the result of time constraints, and were therefore also unavoidable.

One limitation of this study was that it largely focussed on the organisation's beneficiaries and immediate internal stakeholders. As I had sought to investigate how third sector organisations can maintain legitimacy with a range of stakeholders, research could have explored the views of those members of the community that did not use Artspace for whatever reason. Given the close-knit nature of the town, and the fact that it had a wide range of accessible societies and clubs, it would have been possible to obtain perceptions of Artspace from a 'non-user's' perspective, should I have been able to spend more time in the field.

In addition, it is likely that the overwhelmingly positive response from service users was related to the fact that those interviewed were regular attendees, which suggested that they valued the organisation and its activities. If I had been able to contact and interview those service users who attended only once, or several times, before deciding not to return, it is possible that I would have heard a different story. However, on the other hand, the low turnover of service users suggested that, by and large, people who had experience of Artspace appreciated and valued the organisation and what it stood for.

### **3.9: Conclusion**

This chapter has discussed the research design and methodology of this project, outlining the research aims and objectives, before arguing that an approach based on an ethnographic case study was the most suitable way of answering the overall research question. It has discussed how the 'thick description' (Geertz, 1973), offered through this approach, enabled a detailed study of the challenges facing an organisation seeking to maintain a caring ethos whilst operating in a contemporary climate of governance.

Although the in-depth and intimate approach offered through ethnographic methods can pose a number of ethical challenges, this chapter has shown that being open about research, listening to the needs of research participants, and being flexible and responsive at all times, can assist with rapport building and can minimise any negative effects on service users. The next chapter provides a context to the research, detailing the structure of the organisation, its history, and its various stakeholders.

## **Chapter 4: Artspace: History and Ethos**

### **4.1: Introduction**

The overall aim of this research was to identify and explore the tensions between an organisation's ethos and the wider context within which it operates, investigating the strategies it can draw upon to maintain, negotiate, or absorb these tensions and conflicts. Research attempted to answer this through an ethnographic case study of a single 'arts and health charity'. The organisation's core values, and the potential threats to these values, first had to be outlined and framed before discussion of any specific instances of organisational tension could take place. This chapter therefore provides a contextual overview of Artspace, outlining and discussing its history and formation, its organisational structure, its stakeholders, and the nature of its activities. It also discusses the organisation's ethos, and how it was reflected in both formal and informal working practices.

### **4.2: The History of Artspace**

Like many social enterprises and other third sector organisations, Artspace developed out of community needs. Both community arts projects and social enterprises are often based around the work of a strong individual (Galera and Borzaga, 2009; HDA, 2000) who feels "passionate enough or angry enough to take ownership and tackle what has been seen as needs that must be met" (Bull et al, 2008: 116). Susan, the founder of Artspace, and to a lesser extent her husband, could be described as the 'strong individuals' responsible for the initial conception, development and growth of the organisation.

Shortly after moving to Moughton, Susan was contacted by the health promotion officer for the district, who was interested in her past work on community arts and health<sup>13</sup>. Following this, she attended a series of multi-agency<sup>14</sup> meetings, discovering that she 'hit it off' with everyone there. Susan believes that the positive links that developed between people who shared the same beliefs was partly responsible for the realisation of her desires. Following these meetings, she was asked

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<sup>13</sup> The Health Promotion Officer who invited Susan to these multi-agency meetings has maintained a strong relationship with Artspace, and as of 2013, sat on the board of trustees.

<sup>14</sup> The organisations present at the steering group included Susan's working partnership, NHS trusts, health promotion services, the district voluntary action group, social services, and family health services.

to conduct a health needs assessment in the Moughton area, funded by the health promotion unit of the health authority and other statutory agencies. This occurred between September 1994 and May 1995, and resulted in the publication of a report, published in January 1996, which highlighted the particular health needs associated with living in a rural community. It identified a high prevalence of depression and anxiety in the area, and noted that there was very little accessible support in the local area that people could draw upon. An organisation such as Artspace was thus seen from the very beginning as fulfilling a valuable need within the local community. Like many third sector organisations, Artspace emerged partly as a response to ‘market failure’ within the local community (Amin et al, 2002).

“...we’re right way out on the borders of North Yorkshire, we’ve never had proper health and social services here, and they’re never gonna set anything up for a place this small, so, in the end, you have to do it yourself...” (Interview with Susan (core staff), 23/07/10)

Susan, her husband, and two artists she had worked alongside in the past became the organisation’s founders. Susan always had a strong desire to help others, but had been left frustrated by her previous work, which often involved short-term interventions where she felt she had ‘opened a door and then slammed it in people’s faces again, because there was nothing to follow up’. It is common for community arts initiatives to only realise their potential after their work has ended (White, 2009). Susan believed that improvements to people’s health and wellbeing could be better realised through long-term work with communities.

A number of potential business models were proposed, with the founders eventually settling on a charity because of the associated benefits such as rate relief on the premises. The working partnership Susan had formed with another artist in the 1980s was dissolved before Artspace (as a company) was established in 1996. For her visions to become reality, Susan had to locate a suitable building. However, this was not a straightforward process, as she first had to obtain the trust of the local community and negotiate a number of ‘gatekeepers’. Nevertheless, a building was eventually found, with the first Artspace opening in January 1997. It was originally a grassroots initiative, with Susan’s vision being of a community space where creativity, learning, socialising, and health promotion could all come together.

“...it was a place where anyone could go, very few rules, look after yourself, look after each other, care for the building we were in, it was that kind of basic thing” (Interview with Susan (core staff), 18/01/13)

Originally based in a rented building containing little more than a woodstove and a long table, the first Artspace was highly dependent on the generosity of the local community. Strong support from members of the public ensured that it took just three weeks to convert the building from an empty shop front into a space fit for purpose. This support undoubtedly contributed to the organisation’s survival in the early years of its existence.

In the beginning, Artspace only had one regular source of income; funding from the council’s Adult and Community Services, which was used to hold a weekly mental health session. At the time, there were few organisational structures or standard procedures, with Artspace’s day to day management being ‘ad hoc’ in nature. Many of the service users who attended the mental health session had young children of their own, and therefore, working with children and toddlers became an obvious next area of engagement for Artspace. At the time, much of the funding was available for individual projects rather than the organisation as a whole, with each project being required to have its own committee and bank account to be able to apply for grants. To some extent, Artspace chased the funding that was available in its early years<sup>15</sup>. A large number of time-limited projects came and went before the organisation narrowed its focus.

Additional income over the years was obtained through grants, contracts with social services, and donations. In 1999, Artspace received the King’s Fund and the SmithKline Beecham IMPACT Award for Excellence in Community Health (White, 2006), in recognition of its innovative yet effective approach to improving health and wellbeing. In 2000, Artspace received Healthy Living Centre funding through the New Opportunities Fund. This five-year block of money contributed to the cost of funding two part time posts, freelance contracts with artists, an evaluator, and a development officer. The main aim of the Healthy Living Centre funding was the development of a sustainability plan which included the decision to relocate to permanent premises. In

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<sup>15</sup> Smaller organisations, as a necessity, must be more responsive to the institutional environment than larger, established ones, owing to their lack of legitimacy (Foster and Meinhard, 2002; Hargreaves, 2003).

January 2006<sup>16</sup>, Artspace moved into a converted warehouse on the same street, transferring the sessions and activities from the old building to the new comparatively seamlessly.

This period of development corresponded with an increased formalisation of working practices (Adizes, 1999). Organisations often experience a number of challenges during periods of transition, especially concerning decision-making and financial management (Smallbone et al, 2001). Artspace was no different, having ‘lost its way’ as a result of staff illness, confusion over roles, and decisions made concerning its direction that were not in line with its ethos. This loss in focus was partly responsible for the board of trustees deciding to hire an external consultant to conduct an organisational review in 2009. Following this review, which subsequently resulted in the development of a business plan, staff believed that the organisation now had a clearer vision as to how it would progress. A number of changes were implemented, including a separation of management and creative direction.

Many changes to Artspace have occurred since the first building opened to the community. The organisation employs considerably more staff and practitioners, reaches a far wider range of people, and has expanded away from working solely in Moughton, engaging with service users in a number of locations throughout the district. Practitioners and staff must undertake a number of training courses, including health and safety, safeguarding procedures, and risk assessment. Artspace has progressed from being an organisation based largely around informal, often voluntary contributions, to a professional and efficient arts and health social enterprise<sup>17</sup>, capable of delivering a variety of different outcomes agreed between itself and its diverse range of stakeholders.

### **4.3: The Artspace Activities**

The organisation offered a diverse range of activities, funded mainly through the local authority, Big Lottery, and service user charges and donations. These activities were increasingly being offered in neighbouring towns and villages so as to increase their accessibility for people unable to attend the organisation’s Moughton

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<sup>16</sup> The whole process of obtaining new premises took 6 years in total, which included consultation with the community, a search for suitable premises, raising the money (£450,000), and two years of building work.

<sup>17</sup> According to Billis (2010b), Artspace would be classed as an ‘organic hybrid’ in that it was originally set up as a voluntary/community based organisation.

base for any reason. As well as those activities run ‘in house’, Artspace also hosted a number of community groups and independent classes. While some activities, such as the Alzheimer’s group, were aimed at people with specific needs, the majority of the sessions, including those funded by social services, were open to all.

According to its employees, the organisation had two particular ‘facets’. On the one hand, Artspace referred to the building, while on the other, it referred to the broader company, based loosely around a continuation of Susan’s previous partnership work, which was wider ranging in nature. While Artspace served the needs of the immediate community, it also operated on a wider scale, engaging with people in the local government district, neighbouring counties, and even those living further afield.

“...in terms of involvement, there’s two distinct aspects of the project, there’s work that we do offsite, and there’s work that we do in house...” (Interview with Jennifer (practitioner), 05/04/11)

“...the wider ranging work also continues, and it’s maybe a different sort of work now, and its national and international rather than simply dotted about here and there on commissions, it’s more exploratory and, I hope, continues to be pioneering...” (Interview with Scott (core staff), 10/02/11)

In Moughton itself, Artspace hosted activities five days a week<sup>18</sup> and occasionally at weekends. For example, on alternate Mondays, a service user could attend the meditation group. On Tuesdays she or he could attend the creative writing group or the cookery class, or go for a gentle stroll with the walking group. On Wednesdays, internet access and home-baked food was offered through the *Café In*, with the option of participating in the ‘Coffee and Crafts’ group in the morning. On Thursdays service users could assist with the creation of larger pieces of art for community celebrations, while the quiet art class on Friday morning was aimed at (but not limited to) vulnerable individuals. In all cases, the activities were as accessible to the beginner as they were to those individuals who happened to be competent in a variety of creative techniques.

Although based primarily around the arts, many of the activities had a strong educational aspect to them, and focussed on the ways that service users could develop their skills to progress into voluntary positions or paid work. For instance, the Tuesday cookery class trained service users in food preparation and service skills, and also allowed them to gain qualifications such as the elementary food hygiene certificate.

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<sup>18</sup> Correct as of January 2013.

Despite this practical focus, other aspects of the organisation remained innovative and experimental in nature. Practitioners constantly experimented with new techniques; for example, the Men’s Group successfully constructed a bench comprised largely from expanding foam. Artspace sought to avoid stagnation, with both core staff and practitioners believing that it should adapt to ensure that it can continue to work in an optimal way with service users. For instance, the Wednesday café was originally aimed at service users who attended a session held earlier that morning, but later evolved into a community café open to the wider community after staff realised that it had the potential to raise money for the organisation and encourage social inclusion.



*Figure 4.1: Scenes from the 2012 ‘Royal Flotilla’ parade*

Staff spoke about the ‘peaks’ that came with successful celebratory events, and continuously looked ahead to future projects which the organisation could run to ensure that it never became ‘stale’. Artspace organised and ran annual celebratory events, such as the lanterns parade, and also delivered ‘one off’ events, often working in partnership with other organisations. For example, during 2012, an event called ‘My Last Carnival’ took place throughout Moughton, featuring live performances, video projections, bizarre cars, and exhibitions. Several days later, a parade, inspired by the Royal Pageant on the River Thames, took place in the town. Service users constructed their own ‘vessels’ and ‘sailed’ them through the town, before congregating in the playing fields for a picnic (figure 4.1).

Throughout its history, Artspace’s work operated in cycles, being dependent not only on the funding available at the time, but also on community need. The ‘community’ which Artspace served was not static and unchanging, but was “both



partial and mobile, changing its form as the particular individuals, groups and activities that constitute it change” (Rose, 1997: 12). Artspace attempted to recognise these wider changes so that it could continue to serve the community effectively.

A large part of the organisation’s work was, and still is, based around mental health support, owing to a lack of day facilities for people in the immediate community. In the past, Artspace offered a variety of activities aimed at children and teenagers; however, as soon as other organisations began offering similar services, it shifted its focus away from this line of work. However, staff believed that the organisation was ‘adaptable’ enough to offer more children’s activities in future, should the need ever again arise.

“...we can try and stay within this mental health and dementia thing but, as soon as we’ve got capacity, what’s to say we’re not going to go and do something completely different, as long as it’s still within our aims and objectives, and our ethos, then why not?” (Interview with Tracey (core staff), 06/04/11)

“...there are some projects that come and go, and you might think, oh it’s a shame that’s gone, and we used to do a lot of work with children, and at the present time for quite a while we haven’t been, but there’s no reason why they might not come back again at some point...” (Interview with Scott (core staff), 10/02/11)

In the last two years, a major focus of Artspace’s work was around Alzheimer’s disease and older people, which was identified as being an important community need. From late 2011 onwards, Artspace was successful at obtaining a three-year programme of funding from the Big Lottery which it used to provide creative opportunities in the local area for people with dementia and their carers. Artspace ran two short-term pilot studies, which it funded through reserve income, before making a successful application to the Big Lottery for funding in 2011.

While the majority of Artspace’s work has, and will no doubt continue, to occur in Moughton, the organisation has periodically run classes in other settlements in the region, recognising the transport difficulties faced by service users in outlying areas. While the geography of charitable organisations often represents the attachments of founders to certain locations; these attachments can “become fixed in space with little regard for actual need” (Bryson et al, 2002: 52). Artspace has largely been able to avoid this, with staff recognising that people in outlying towns and villages could equally benefit from the organisation’s services. Nevertheless, staff acknowledged that when expanding into other areas, they had to negotiate access by ensuring the

organisation did not duplicate the work of any other organisations already established there.

Sessions which had previously been set up and funded through Big Lottery money had since become independently run, taking away some of the workload from staff members. Nevertheless, a strong mutual relationship had since persisted, with Artspace continuing to publicise these groups.

“[Artspace] nurtured me by supporting me financially, and then there’s been a bit of a symbiotic thing like a kind of two way process because if they need things sung through events we’ll do that, and that’s the kind of giving back if you like as well...”  
(Interview with Ruth (practitioner), 29/06/11)

While Artspace staff believed other groups could potentially become self-running in the future, they also believed that it was essential to set out any expectations with practitioners and tutors. Looking back at the transition of the groups which became independent, one staff member believed that the organisation could have managed this transition better, for example, by setting out expectations more clearly, and by negotiating with tutors as to the fees they charged users. In addition, independent groups were seen to operate in a ‘grey’ area with regards to the amount of support the tutors received from staff. Generally, it was felt that as these groups were not technically part of Artspace, the practitioner leading the session, rather than the organisation itself, was responsible for those who attended. Staff believed that additional support was unnecessary given that these groups did not specifically focus on vulnerable individuals. Although one of the independent groups did attract several individuals with low levels of confidence and self esteem, the group’s tutor, in this instance, was able to offer the required support and assistance.

As a result of its pioneering activities, Artspace had attracted interest on an international basis, and had been visited by arts and health practitioners from as far afield as Australia. Artspace was described by a practitioner as being always ready to ‘try out new things’, and being ‘ever in change and flux’. While its desire to explore new activities and working practices was considered to be a positive aspect of the organisation by a number of the employees and beneficiaries, these views were not shared by one practitioner, who felt that the organisation thought ‘too grandly’ sometimes, and argued that more emphasis should instead be placed on ensuring the continuation of existing groups.



*Figure 4.2: Staff, beneficiaries, and international arts and health practitioners share a meal at Moughton Town Hall*

Artspace has hosted international events in Moughton itself. Durham University held an international gathering for community arts and health practitioners in summer 2011. The meeting was followed by a series of visits to arts and health organisations in the North of England. Artspace hosted visiting practitioners and academics over two days, introducing them to the various activities and showcasing the work of service users. A dinner was held in the town hall (figure 4.2), featuring performances from the singing and creative writing groups. A diverse range of people attended this event, including beneficiaries, members of the local community, international arts and health practitioners, and local councillors.

#### **4.4: The Ethos of Artspace**

##### **4.4.1: Organisational Ethos**

Core staff and practitioners believed that Artspace beneficiaries could experience improved health and wellbeing through a combination of creative participation, a pleasant environment, and the support of friendly practitioners. There was an implicit recognition that many of these benefits could occur indirectly, through improvements to attributes such as confidence and self-esteem. In ways common to other ‘arts and health’ organisations, Artspace did not explicitly focus on improving people’s health, although in some ways, it did seek to benefit physical health directly,

by offering wholesome meals to the community, teaching service users about cookery and nutrition, and by providing opportunities for service users to engage with light physical exercise.

Artspace's ethos was not simply about improving the wellbeing of the individual, but sought to intervene at the level of the wider community. The organisation emphasised the importance of social inclusion and social capital. Its ethos was, in some instances, aligned favourably with wider statutory discourses. For example, in one magazine article, published by an organisation representing the voluntary and community sector in the region, Artspace was considered to be a good demonstration of the previous Labour government's 'active citizenship ethos', concerned with people taking active responsibility to tackle any problems that exist within their communities.

However, while Artspace's values were in alignment with the state in some ways, they were also opposed in others. Coles (1997) discusses organisational ethos in terms of three ideal types. He argues that organisations are traditionally based upon either Christian *caritas* or secular humanism, yet he also discusses organisational ethos in terms of a third ideal type: that of 'postsecular charity'. Postsecular charity is "distinguished by its rejection of universalist reason, and its espousal of more phenomenological appreciations of what is ethically right, good, or sound in particular circumstances" (Cloke et al, 2005: 399). Elements of postsecular charity existed within Artspace that were wider than simply its inclusiveness to all beneficiaries regardless of race, sexuality, or circumstance. For example, Artspace believed that individuals should be free to pursue their own goals, considered the notion of 'progression' as subjective and specific to the individual, and believed that the individual, and not the state, was the expert authority on how best to attain positive wellbeing.

### *An Accessible Ethos*

Recognising that some service users may have had negative past experiences of art and creativity, or may not see themselves as artists, Artspace designed its activities to be as accessible as possible. Service users were not expected to show any immediate signs of improvement to their health and wellbeing, with practitioners admitting that it may take months for some individuals to benefit from the organisation's intervention.

Artspace staff endeavoured to create a 'congenial space' within which people felt safe and secure, with emphasis placed on the 'initial welcome' into the

organisation. There was awareness that beneficiaries could ‘pick up on the atmosphere’ even if they adopted a more passive role, and people were never placed under any pressure to engage with any of the activities. Staff appeared to recognise that while participation in the creative process could result in a number of benefits, it also required background factors to be in place, such as a suitable building and friendly practitioners (Everitt and Hamilton, 2003). In addition, the positive health gains obtained through the creative process, or indeed through the atmosphere and environment, may count for nothing unless people engage with the particular activity in the first instance.

While service users were encouraged to concentrate on the creative process rather than discuss their own health concerns, they appeared to benefit in ways akin to traditional forms of psychological ‘therapy’. The friendly environment of Artspace, coupled with engagement in a creative activity, occasionally acted as a catalyst for service users to ‘open up’ about things that were troubling them. Participants within arts and health organisations are often happy to divulge personal concerns to others, which is often evidence of the relaxed atmosphere that such organisations offer (Heenan, 2006).

Artspace sought to maintain its accessibility in a number of ways. It distanced itself from art therapy, and refused to pursue a medical agenda. Although funded to provide the equivalent of a day service, Artspace staff disliked the use of statutory terms such as ‘service user’, particularly as many beneficiaries were self-referred; instead electing to refer to beneficiaries as ‘participants’.

“...we’re talking about people participating in our programme here as opposed to service users which is language inherited really from statutory services and doesn’t entirely sit right” (Interview with Lauren (core staff), 22/07/10)

The use of statutory terminology, which had been assimilated into the organisation to some extent in the past, was often viewed in negative terms. One beneficiary argued that the term ‘user forum lunch’, referring to the occasional consultation sessions between staff and beneficiaries, made everyone sound like ‘a bunch of druggies’. While service users attended for many different reasons, staff members hoped that whether they were referred by their GP, or whether they attended as they enjoyed the activity in question, that their health and wellbeing could benefit. Therefore, maintaining distance from statutory and social care-run services was considered necessary so as not to deter any potential beneficiaries.

### *The Importance of the Arts*

While staff spoke of the benefits of social inclusion, progression into employment, and recovery from illness, there was also considerable emphasis on the importance of creative development, reflecting the fact that the art itself was the organisation's 'raison d'être', and a major part of its ethos. Staff believed that everyone could be creative in their own way, with the role of the organisation being to help service users discover and nurture this creativity. One staff member believed that even if somebody's sole hobby was collecting bus tickets, she would still look for ways that he or she could engage with that hobby in a creative manner.

Artspace's mission statement<sup>19</sup> emphasised the fact that it sought to improve individual and community wellbeing through participation in community arts.

*Artspace believes that health and creativity are connected. It uses the arts and celebration to nurture the whole health of individuals and their communities in North Yorkshire and beyond.*

The use of the word 'celebration' referred to the organisation's desire to showcase people's artistic skills in a variety of ways, such as through exhibitions, carnivals and parades. Artspace staff believed in the importance of having 'high points' throughout the year, which the community could look forward to and work towards.

While Artspace had a specific 'arts ethos' based around people discovering their own creativity, certain forms of art were promoted over others. For example, while activities such as 'pottery painting'<sup>20</sup> were potentially profitable to the organisation, they were also described by staff as not being 'good art', and as 'not doing any of the things that we believe in'. This was evidence of the prioritisation of ethos over competing demands, which, in this instance, was a need to raise income.

Despite the importance the organisation had placed upon the arts and the creative process, staff believed that Artspace had struggled to have its work, and therefore its ethos, recognised by both stakeholders and the wider public. From the very beginning, it was acknowledged that as the organisation was working in an

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<sup>19</sup> An organisation's *mission statement* commonly states its beliefs, purpose, and the geographical extent of its activities (Bryson et al, 2002).

<sup>20</sup> Interestingly, a practitioner mentioned that a 'one-off' pottery painting session run within Artspace in the past had been one of her memorable experiences of the organisation.

embryonic field, many people would fail to understand the concept of arts and health, at best, defaulting to the established yet substantially different field of ‘art therapy’.

“...the continuous challenge of enabling people to understand it sufficiently and in their language, what we do, because you can get an absolute blank, on people’s faces sometimes, and Moughton sort of understands Artspace, now, but its always been a varying degree of challenge to explain what the purpose of the work is...” (Interview with Scott (core staff), 10/02/12)

Some members of staff believed that the term ‘arts and health’ was problematic, and partly contributed to the organisation’s lack of recognition amongst the public as a whole. For example, despite meeting all the criteria for Lloyds TSB Foundation grant income, Artspace was initially told it could not apply because it was considered to be an arts charity. Staff had to convince the funder in question that Artspace had a strong health and social element to it, and was therefore eligible to apply for the money. While the organisation was eventually successful in obtaining this funding, several core staff members expressed the view that the term ‘arts and health’ was either poorly understood, or placed the organisation into an unhelpful medical framework.

Several staff and practitioners appeared frustrated that Artspace’s ‘creative’ element remained poorly recognised by both stakeholders and the general public. Some of these challenges may be external, and therefore outside the organisation’s control; for example, dominant societal discourses may prevent certain benefits of the arts from being recognised. While ‘pleasure’ has been identified as a major element of creative participation (Matarasso, 1997: 71), the concept has been absent from public health for a number of reasons. For example, ‘pleasure’ was potentially seen to unsettle notions, commonly held within public health, that the individual should exercise self control and self-discipline (Putland, 2008).

However, on the other hand, the broad range of activities offered by Artspace and by many other arts and health organisations “may render generalizations about the effects of the arts experience alone difficult” (Dileo and Bradt, 2009: 178). Dileo and Bradt argue that when attempting to improve the evidence base for a project, creative pursuits should be separated from other activities frequently offered together, such as meditation and massage, to enable the organisation to then “determine if the single approach or the combined approach is more effective in achieving the desired outcome” (2009: 178). Artspace offered some activities which were, at best, only loosely connected with the arts and creativity. While a strict focus on creative activities

could have improved the evidence base for arts and health, on the other hand, it could have considerably lessened Artspace's appeal to the wider community.

#### 4.4.2: Ethos of Engagement

*Artspace works with integrity, care and empathy. It offers welcoming, safe and stimulating environments where people can use the arts to create a sense of shared purpose and belonging.*

*Artspace is inclusive. We recognise that people face barriers that can prevent them from accessing services, contributing their skills or taking part. We therefore provide the support needed for each individual to connect with the organisation on an equal basis.*

(Artspace's organisational values)

While practitioners attempted to engage people with the creative activities, they also had other, less formal, roles and responsibilities. Practitioners sought to ensure that service users were happy at all times, and that they were not upset by the nature of the activities or by any of the other attendees. They considered themselves not as teachers, but as facilitators, helping service users to utilise their existing skills in a non-prescriptive manner.

“I think teaching is about bringing out what's already in people, supporting their growth, as a person, to nurture what's already there, and give people confidence and to draw out what is already in people rather than imposing something onto people...”  
(Interview with Ruth (practitioner), 29/06/11)

While staff made it clear that they were not trained as doctors or counsellors, they were willing to engage with service users in quiet conversation if ever they appeared particularly distressed. They often went ‘the extra mile’ for beneficiaries, while at the same time, recognising their limited capacity to work in a counselling role.

One practitioner described her role as being ‘part atmosphere’, and stated that while one aspect of her work was concerned with teaching, it also involved being welcoming, caring, and nurturing towards beneficiaries. The same practitioner considered herself to be on a ‘journey’ with regular attendees. She believed that her role had subtly evolved over time, and increasingly saw herself as being more akin to a support worker, rather than simply a practitioner.

Interestingly, one practitioner believed that helping service users feel safe and welcome was more important than the completed artwork itself. While on the one hand,



participation in the arts was the primary reason for Artspace's existence, staff still considered it a success if service users benefited from the organisation in other ways.

“...some of the people that come here have got quite severe problems, you can't really address that, but I think if you just make an atmosphere of conviviality, they might want to come again, if they feel relaxed and safe, and that's about all you can do I think. And as for doing artwork, that could be a bonus...” (Interview with Robert (practitioner), 12/05/11)

Practitioners worked flexibly and intuitively, ensuring that they had a range of activities aimed at different abilities. For instance, during a typical Tuesday art session, which attracted a diverse range of beneficiaries, various activities were offered which could be tailored to the abilities and needs of each individual. Practitioners also assisted service users with their own artwork if the other tasks were not to their liking. Although practitioners had a contract outlining the expectations of the job required of them, many of the ways they were expected to engage with service users were subtle or informal in nature. These expectations were said by one member of staff to be ‘reinforced just by the way that we work together in the organisation and through supervision purposes’. This suggested that they were absorbed by employees through Artspace's day to day practice. However, issues such as boundary setting and the purpose of the engagement had previously posed difficulties for practitioners who were ‘less experienced at working in this line of work’.

In the past, practitioners who had previously worked in other organisations had found the culture change associated with a move to Artspace to be problematic. For example, two practitioners had been employed to engage the community in physical activity. While they were considered to be competent instructors, based on their work elsewhere, they had had little experience when it came to actively engaging with a population less respondent to the ideals of good health and wellbeing. Ultimately, they lacked both the interpersonal skills and the flexibility of practice necessary to attract new participants.

“...people came in probably having worked in more statutory organisations, and being more familiar with the way statutory organisations worked, and found it very difficult to adapt to the flexibility, I think that you need, to work for Artspace, in order to engage people...” (Interview with Gina (trustee), 08/08/11)

To avoid a repeat of this situation, Artspace introduced a mentoring system whereby new practitioners shadowed a more experienced practitioner to learn about how to engage effectively with service users. Reflective practice was also seen as an

additional way in which artists could learn from one another and gain confidence in their work.

Despite this, there was still criticism of the way certain employees interacted with service users at times. One of the artists employed by Artspace to run a block of sessions was described by service users as not being a 'people person'. It was also felt that at times, certain members of staff treated service users like 'pupils in a class' rather than as individuals capable of making their own decisions. The approach taken by these particular members of staff was argued by others not to fit with the organisation's ethos, which emphasised the importance of providing a friendly and supportive, yet at the same time, non-prescriptive environment, to beneficiaries. While there was the recognition that notices and rules were necessary, it was also felt by staff on the more grassroots side of the organisation that these should occur as little as possible, and be dealt with in a subtle manner.

It should be acknowledged that an organisation's ethos can be inconsistent, varying between different parts of an organisation or between those who work there (Monshengwo and Watt, 2003). While all staff, trustees and practitioners appeared to share the opinion that Artspace should remain inclusive, innovative, and person centred, there were differences over issues such as how 'corporate' it should become, how it should interact with its beneficiaries, and the extent to which it should engage with social enterprise activities.

### *Staff and Third Sector Values*

Despite the lower wages and poorer job security, social enterprises and third sector organisations offer greater job satisfaction than the private or public sectors (Haugh, 2008). In general, those who work for a social enterprise are not motivated by the financial benefits that such a job may bring, but by their involvement in both shaping and assisting the organisation's mission. This in turn limits the likelihood of opportunistic behaviour emerging (Bacchiega and Borzaga, 2001).

While a number of current practitioners and core staff were aware of the organisation and its characteristics before commencing employment, others were not. Three separate employee categories have been identified within social enterprises (Amin, 2009). Firstly, there are those whose career has been strongly influenced by an ethical motivation. The second and third categories are based upon individuals who entered the social economy as a result of job openings that matched their skills, rather

than because they held a desire to work in the sector. The difference between categories two and three is that people in the second category found working for a social enterprise to be a positive experience, and were desirous to remain in the third sector or social economy as a result, whereas people in the third category had a neutral or negative experience, and considered their role as simply a 'job'.

In my experience, staff members employed at Artspace during the period of research were located in the first and second categories only, with nobody appearing to see their role as simply a means of 'paying the bills'. Some staff members admitted that they had initially applied to work with the organisation because of the convenience of the job, rather than because they shared its values and principles. However, even those practitioners who had not previously worked in the third sector quickly became appreciative of Artspace's ethos.

"...I suppose the contrast with [her previous employment] and actually being in here with people is that you can see the benefits, and very tangibly so, and it was sort of witnessing that and seeing that it did make a difference to people, that it sort of reinforces my desire to want to do it because I can see that it is good, it's having an effect, and it feels like a good use of my time and my skills". (Interview with Yvonne, (core staff), 21/07/10)

"I came from working in a business where a family was getting rich out of my hard work, came here, had that voluntary experience of Susan, and just thought, I never want to work for the private sector again, whatever I do, it's got to be the voluntary sector". (Interview with Tracey (core staff), 06/04/11)

Although staff members were occasionally required to work long hours to ensure that even the day to day aspects of their work were completed, their enthusiasm rarely wavered, with staff appearing to highly value their positions at Artspace. Considering the considerable time and effort spent searching and applying for new sources of funding, emotions occasionally ran high within the office. Staff appeared visibly dejected after finding out that a specific funding bid had failed.

On the other hand, the sense of happiness – almost akin to jubilation in a sense – was clearly noticeable on those occasions where Artspace had been successful. One member of staff even cried after receiving a letter that showed that a funding bid had reached the second round. She had been convinced that the organisation had been unsuccessful after not hearing anything on the day that the verdict had been announced. This passion was also evident following the successful delivery of a creative activity or celebratory event.

“I wish we had the capacity to do two or three [community celebrations] a year...things like that make me buzz, make me think this is what its all about; when you get a small child coming into a lantern workshop and for three workshops you can’t get any eye contact out of them, you really struggle to get a smile out of them, and then on the fourth session they come in and by which point you remember their name and you go, hi Mary or whatever, and that child looks at you and grins, it just makes it for me...” (Interview with Tracey (core staff), 06/04/11)



*Figure 4.3: Staff members were highly valued at Artspace and typically received a memorable ‘send-off’ before they moved on. One employee who helped teach computer skills to beneficiaries received an ‘explosive’ IT lesson of his own.*

There had always been a strong, positive relationship between Artspace and its employees, who were welcomed into the organisation when commencing employment, and given a warm send-off at the end of their tenure (figure 4.3). The connection that both staff and practitioners had made with Artspace was apparent through the emotion they showed whilst giving their farewell speech.

I attended the singing group in the evening. It was altogether quite an emotional affair, with Ruth crying and several members being on the verge of tears. Ruth started running the group two years and a day ago today, and she even brought in a poem detailing her memories of her time at Artspace (Excerpt from field diary, 13/09/11).

Artspace’s ethos consisted of both formal and informal elements. Formally, the organisation had a specific ethos which sought to provide a homely and welcoming environment to its beneficiaries. As evidenced by its mission statement, Artspace also placed considerable emphasis on the fact that it was an arts and health organisation that encouraged people to discover and nurture their creative potential. However, the

organisation also had a less formal ethos, which was largely observed from the interactions between employees and service users. Both core staff and practitioners engaged with service users in a flexible and person-centred manner, often using their initiative in challenging or complicated situations. Artspace's ethos, whether formal or informal, was evidence that the organisation had attempted to provide a 'space of care', not only for its beneficiaries, but also for employees.

#### 4.4.3: The Importance of Artspace's Founder

Along with being known for their ability to develop and implement innovative techniques, social entrepreneurs often seek to enact social change by introducing successful innovations to a wider audience, thereby increasing the impact of their work (Dees and Anderson, 2003). They draw upon a range of specialist skills that allow them to perform the multitude of roles required of them (Hynes, 2009). For example, they must have a certain charisma to persuade and encourage people to take part in the operation of a new enterprise (Roper and Cheney, 2005).

Susan, Artspace's founder, is not an 'entrepreneur' in the traditional sense of the word, and disagrees with being referred to as one. Nevertheless, she shares similar characteristics with those who are entrepreneurial in both a social and a business sense, being innovative, creative, and possessing an independent way of thinking (Bridge et al, 2009). Susan also shares traits common to the founders of charities and other third sector organisations, believing in collectivism and a strong sense of community, and possessing the desire to benefit the wellbeing and 'social capital' of the area in which she is based (Austin et al, 2006; Mair and Marti, 2006; Peattie and Morley, 2008).



*Figure 4.4: The 2013 Moughton Lantern Procession*

Susan comes from an artistic background, and her previous work involved running projects with individuals and communities throughout the United Kingdom in partnership with another artist. Throughout her life, Susan has always been pioneering in her use of creative techniques. For example, in the 1980s, she invented and perfected the technique of constructing lanterns from withy (flexible willow) and paper tissue covered with latex glue. She and her colleagues have since introduced lantern processions (figure 4.4) to communities throughout the UK and further afield.

Susan has also used innovative ways of engaging with people from all ages and backgrounds. She conducted the health needs assessment through the local primary school, finding it easier to connect with the wider community through the children. On another occasion, she asked the community for jam jars and any spare fruit which they had harvested. Susan, with help from local children, then visited the houses of older people in the town, offering them a jar of home-made jam as a way of initiating conversation about how they were feeling. When designing the first Artspace, Susan sought to create ‘an atmospheric space for something to happen in’ by drawing upon the skills she obtained through a theatre design course she took whilst in art school. Susan has always considered herself as an outsider, and sought to create a space within which outsiders were made welcome.

Since the first Artspace opened to the public in 1997, Susan’s values, influence and philosophy have been central to its development, growth and ethos. A surprising number of practitioners, core staff members, and service users believed that the

organisation would struggle, or even cease to exist, without her input and creative direction.

“...Susan really believes in art of the community as a way of life, it’s what she really believes in...I mean the driving force behind it all is Susan, and you lose her and you’d lose the place I think...” (Interview with Oliver (service user), 30/08/11)

Like many other social entrepreneurs, Susan has gained huge non-monetary benefits from her work (Haugh, 2008). Along with her innovative way of working with individuals and groups, she has been able to forge links with key individuals in the community as a result of her strong ‘personal legitimacy’ (Hargreaves, 2003). Many staff and service users were initially introduced to Artspace through contact with Susan.

“...one day she [Susan] approached me and said oh we’ve acquired a building, and we’re going to have somewhere to do arts and crafts and so once she set it up I came along and helped set the building up and painting and things like that.” (Interview with Kate (service user), 01/08/11)

Susan’s husband also played an important role in Artspace’s development, using his persuasive nature to assist the organisation where possible. He persuaded a local landlord to rent them the building which became the first Artspace. After a utilities company dug up the street with no prior warning, restricting access to service users with limited mobility, his strongly worded letter of complaint gained the organisation £150 compensation. He was also successful in obtaining money which covered the entire cost of installing the wood fired boiler.

Susan’s influence extended well beyond the boundaries of her organisation. She was responsible for bolstering levels of social capital in the wider community, engaging with organisations and individuals who would normally have minimal interaction with each another. During the ‘My Last Carnival’ event in May 2012, she successfully encouraged businesses to open on an afternoon they would normally be closed. Many of the town’s businesses also took part in the celebration itself, designing their own ‘cars’ for display in the shop fronts. Susan has been instrumental at bringing traders together, and her influence was partly responsible for the creation of a ‘town team’ representing the interests of local businesses. Susan’s husband has also been influential in the local community. His experience of fireworks and pyrotechnics led to him becoming involved in the town’s bonfire committee. He helped improve the display considerably, raising the event’s profile in the community.

Susan has been influential on an international level. In 2008, she was awarded an International Arts and Health Fellowship by a Western Australian State health promotion agency, which involved her undertaking a five month sabbatical between August 2008 and January 2009. In November 2009, Susan was given the inaugural International Arts and Health Award for her contribution to the field of arts and health in the community. However, despite her success as an arts and health practitioner, Susan has, at times, neglected her own health and wellbeing<sup>21</sup> to ensure the organisation's smooth operation. She admitted that if she had known what the work would be like, she may not have decided to form Artspace at all.

Susan's influence was largely responsible for Artspace continuing to be pioneering to this day. For example, she was responsible for the development of the Discovery Outcomes Tool (DOT), an outcomes monitoring tool which she created to satisfy the needs of external stakeholders on the one hand, while stimulating practitioners into having 'genuine' conversations with individuals on the other. Susan was passionate about discovering what mattered to people, and was always on the lookout for new ways to engage with them.

“...my own personal experience of watching Susan at work over many years is that she does come up with the next thing without realising, she realises probably that she's on the case, but a lot of other people are usually at least five years behind in realising the significance of what she's doing...” (Interview with Scott (core staff), 10/02/11)

Susan's innovative way of working extended to the way she worked with service users. In any organisation, particularly those that work with vulnerable individuals, disagreement between service users can occasionally occur (Parr, 2000). However, Susan, not wishing for anyone to have a bad experience at Artspace, was willing to temporarily cross the professional boundary between practitioner and service user to ensure that any grievances were resolved. Although all staff members at Artspace engaged with service users in a caring manner, Susan appeared to take this even further, showing empathic concern almost at the level of friendship.

Despite the increased formalisation within Artspace, Susan was able to retain her 'mother-like' way of working with service users. However, such informal behaviours were often at odds with the desire of certain staff and trustees to adopt

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<sup>21</sup> Self-exploitation by social entrepreneurs has been identified as a concern by some commentators (e.g. Tillmar, 2009).



professional procedures within Artspace, which included adherence to boundaries and the maintenance of ‘professional distance’ between practitioners and service users.

#### 4.4.4: The Pioneer Health Centre

Susan’s values and way of working have been influenced substantially by the Pioneer Health Centre in Peckham, an experiment which sought to foster genuine dialogue between its members and provide them with the freedom to embark on their own journey of wellbeing in their own time. This philosophy has since spread to become a considerable influence on Artspace’s practice as a whole. To fully understand the development of Artspace’s ethos, a brief introduction to the Pioneer Health Centre is thus necessary.

The Peckham Experiment sought to discover the environment within which human flourishing could occur (Pearse and Crocker, 1985). It was located in the purpose-built Pioneer Health Centre, which was based on an open-planned design constructed around a central swimming pool. The founders of the Peckham experiment, Dr George Scott Williamson and his wife, Dr Innes Pearse, believed that the sight of participation in activities would be an incentive for people to try out such activities themselves (Pearse and Crocker, 1985). The Centre offered a range of facilities including a gym and café, and was open to all families, or ‘mated couples’, who lived within walking distance.

What made the Pioneer Health centre unique, was that aside from the periodic health check-ups, all of its activities were organised solely by members. As well as giving its members the freedom to develop their faculties in the way that they desired, the Pioneer Health Centre provided an environment within which people of all ages and backgrounds could meet and interact, thus helping to alleviate the segregation which occurred within society (Stallibrass, 1989). Being members of the centre enabled a family to both give and receive “emotional, functional and intellectual nourishment” (Stallibrass, 1989: 14). As well as fostering relationships with other families in the community, membership of the Pioneer Health Centre enabled parents and their children to have richer conversations, the centre providing a common point of interest (Pearse and Crocker, 1985).

In some respects, the Pioneer Health Centre functioned as a therapeutic space. Wil Gesler introduced the concept of ‘therapeutic landscape’, suggesting that certain environments could explain the relationship between place and physical and mental

wellbeing (Gesler, 1992). While the literature on therapeutic landscape initially focussed on natural places with historical importance, such as spas and healing springs, it now includes familiar, contemporary locations, as diverse as community centres, libraries, hospitals, and even the home (Conradson, 2003; Wakefield and McMullan, 2005; Williams, 2002), evolving into the broader concept of ‘therapeutic environment’. The Pioneer Health Centre’s modern, open-planned design and focus on participant freedom and social interaction contributed to its reputation as a therapeutic and healing environment

Despite its success, the Pioneer Health Centre was forced to close owing to a lack of funding. The medical profession at the time was more interested in curing disease rather than taking a preventative approach to health and wellbeing (Pearse and Crocker, 1985). In addition, many of the centre’s goals were difficult to measure empirically. Nevertheless, Susan has attempted to continue the visions of the Peckham experiment within Artspace, albeit on a considerably smaller scale. Artspace strongly emphasised user freedom, with people being free to come in to the building to chat, make themselves a hot drink, or dip in and out of activities. Even those unwilling to socialise with others were still welcome, and were made to feel comfortable at all times, mirroring the ethos of the Pioneer Health Centre, which offered its members the opportunity to “enjoy a feeling of being enveloped in a warmly sociable atmosphere without feeling obliged to *be* sociable” (Stallibrass, 1989: 92; emphasis original).

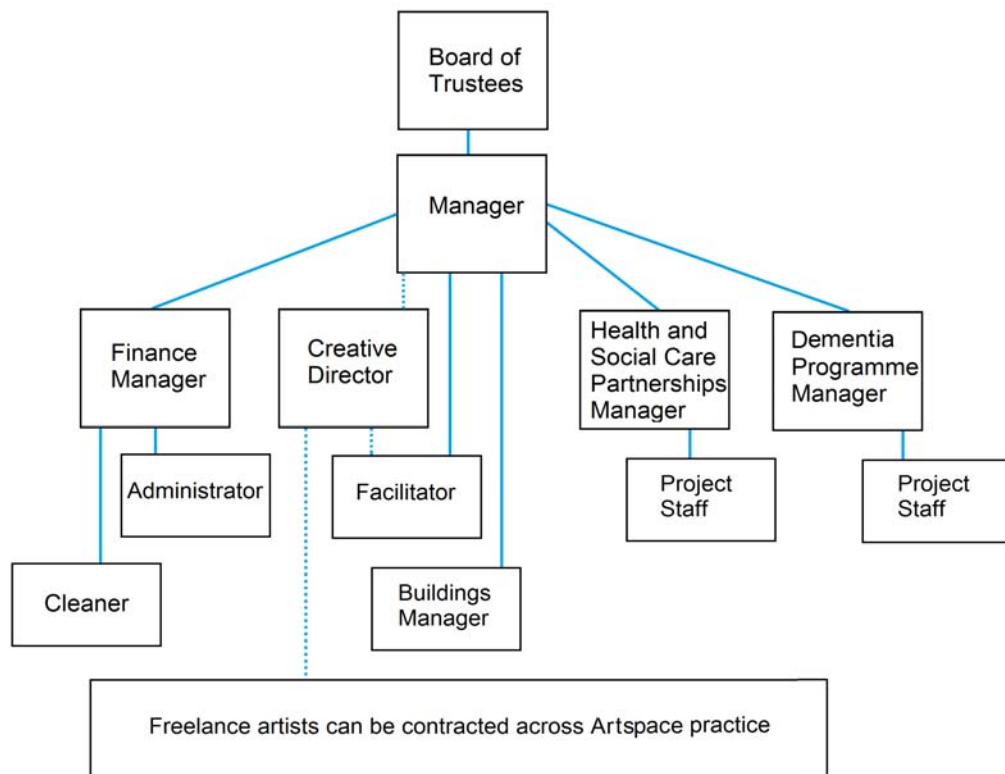
Susan sought to emulate the Pioneer Health Centre in a number of other ways. For instance, the atmosphere within the Artspace building was friendly and welcoming, and there were very few areas off-limits to beneficiaries. Service users both made and paid for hot drinks and the weekly community meal themselves, and should they have desired it, could quite easily have obtained a ‘free’ lunch or cup of tea. However, according to staff, there had never been any reported theft of personal possessions at any point in Artspace’s history, suggesting that a high degree of trust existed between staff and service users.

The Artspace environment was considerably different from functional or institutional buildings such as community centres, with few signs on display telling people what behaviour was expected of them. While Artspace did have health and safety guidelines, these were based on common sense, dialogue and education as opposed to prohibition. Artspace’s ethos was therefore largely based around participant

freedom, trust, and a belief that service users were individuals capable of making their own, independent decisions, without being told how to behave or what to do<sup>22</sup>.

## **4.5: Artspace Today**

### 4.5.1: Human Resources



*Figure 4.5: An organogram of Artspace (taken from the 2012-15 business plan)*

As Artspace expanded both in size and in scope, an increased number of paid employees were required for the organisation to function effectively. Today, the organisation employs seven permanent core staff members<sup>23</sup>, all of whom are part-time (corresponding to 2.5 full time positions). These roles are the Manager, the Finance Officer, the Administrator, the Creative Director, the Buildings Manager, the Facilitator, and the Health and Social Care Partnerships Manager. Other core staff

<sup>22</sup> One member of staff believed that the ‘trust’ element had diminished somewhat in recent years. Between the period of my fieldwork (Sept 2010-Oct 2011) and my return to visit in early 2013, the number of signs and notices around the building appeared to have increased. Nevertheless, in my opinion, the Artspace environment remained considerably more homely compared to institutional spaces.

<sup>23</sup> Who is classified as ‘core staff’ is a contentious issue within Artspace and is not related to whether the staff member is ‘self employed’ or under the PAYE (pay as you earn) system.

positions were temporary in nature, such as the arts and health training officer; a position which now no longer exists. A present temporary staff position is that of Project Manager for the work the organisation does with people with Alzheimer's disease. An organogram (organisational chart) of Artspace as it was in early 2013 is shown above in *figure 4.5*.

Aside from the community artist, who was contracted to work a set number of hours each week, practitioners were self-employed, being required to calculate taxation and national insurance payments themselves. Staff and practitioners were recruited through a number of routes. Several practitioners were offered paid work by the organisation after their talents and skills were recognised through their work as volunteers. While historically, artists were recruited by word of mouth, there was also the recognition that there was often a shortage of suitable artists which met Artspace's needs and shared their values, and that at times, the organisation had to look further afield for practitioners<sup>24</sup>. In addition, it was felt that in the past, Artspace had adapted the role to fit the person, rather than seeking the best possible employees for the job. Social enterprises may struggle to recruit suitable staff (CIPD, 2005) with many potential applicants often not possessing the characteristics in fitting with their ethos.

While there were observed incidences of occasional disagreements amongst staff members over the direction the organisation should take, the atmosphere in the office and during staff meetings, with few exceptions, was highly positive. There were differences in opinions between staff, as there would be in any small organisation or charity, yet these differences were usually resolved constructively. Artspace maintained harmony amongst its staff very effectively, considering its diverse range of employees.

“I think holding effectively a staff group that is really quite diverse, a lot of people self employed, a lot of people not on site, some people on site, a lot of people part-time, to carry the ideas, the model, the culture, the ways of working, the kind of rigorous attention to high levels of practice, is, with such a kind of diverse group, I think is a challenge to do well...” (Interview with Jennifer (practitioner), 05/04/11)

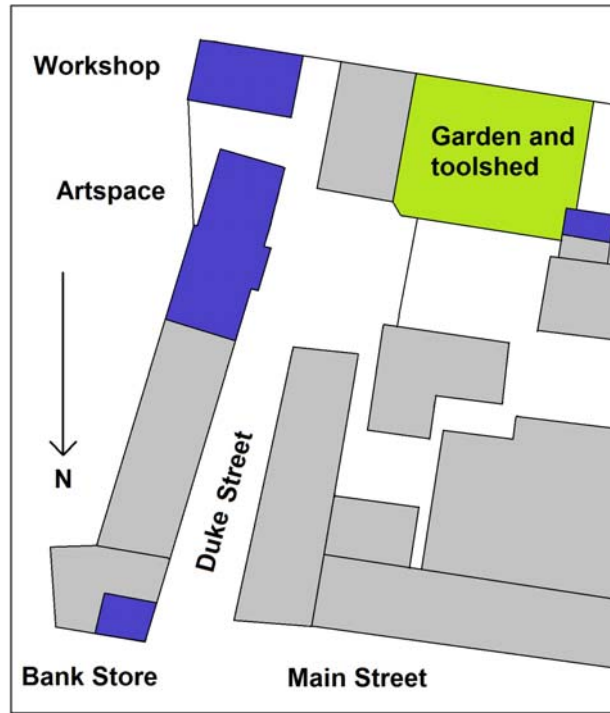
However, these positive relations between staff had been challenged at various points in the past. During the 2009 organisational review, a member of staff reported that the external consultant had assumed that Artspace employees would be ‘plotting behind each other's backs,’ whereas in reality, the relationship had always been

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<sup>24</sup> One of the objectives of the arts and health training officer position was to locate and nurture suitable artists in the local area to be arts and health practitioners.

trusting and open. This resulted in staff members mistrusting one another, thereby impacting negatively on Artspace's working ethos.

#### 4.5.2: Physical Resources



*Figure 4.6: A map showing the location of the buildings which Artspace owned or rented*

Artspace is based in a renovated warehouse near the centre of Moughton. It was somewhat different from the old Artspace premises, located in a light, modern and airy building set over three floors. The organisation utilised three main internal spaces, plus a garden area, an aerial diagram of which is shown above in *figure 4.6*. The warehouse was converted and equipped in an environmentally friendly fashion<sup>25</sup> using local tradespeople, and utilised natural products where possible. Original timber floors were retained, and any additional wood used in the renovation was sustainably sourced.

Artspace recycled or composted the majority of its waste. Solar panels on the roof were used to heat the water used in the building, while the organisation's central heating was provided by a sustainable wood pellet fired boiler.

Unlike the old premises, where one would enter the main art room directly from the street, people in the new building entered a lobby area at the foot of the

<sup>25</sup> This information was taken from a short environmental statement drawn up by the organisation's buildings manager.

stairwell. To reach the main ‘activity space’, they had to ascend several stairs. Stairs led down from the lobby into a basement area, which contained the building’s toilets, baby changing area, and stockroom for art materials.

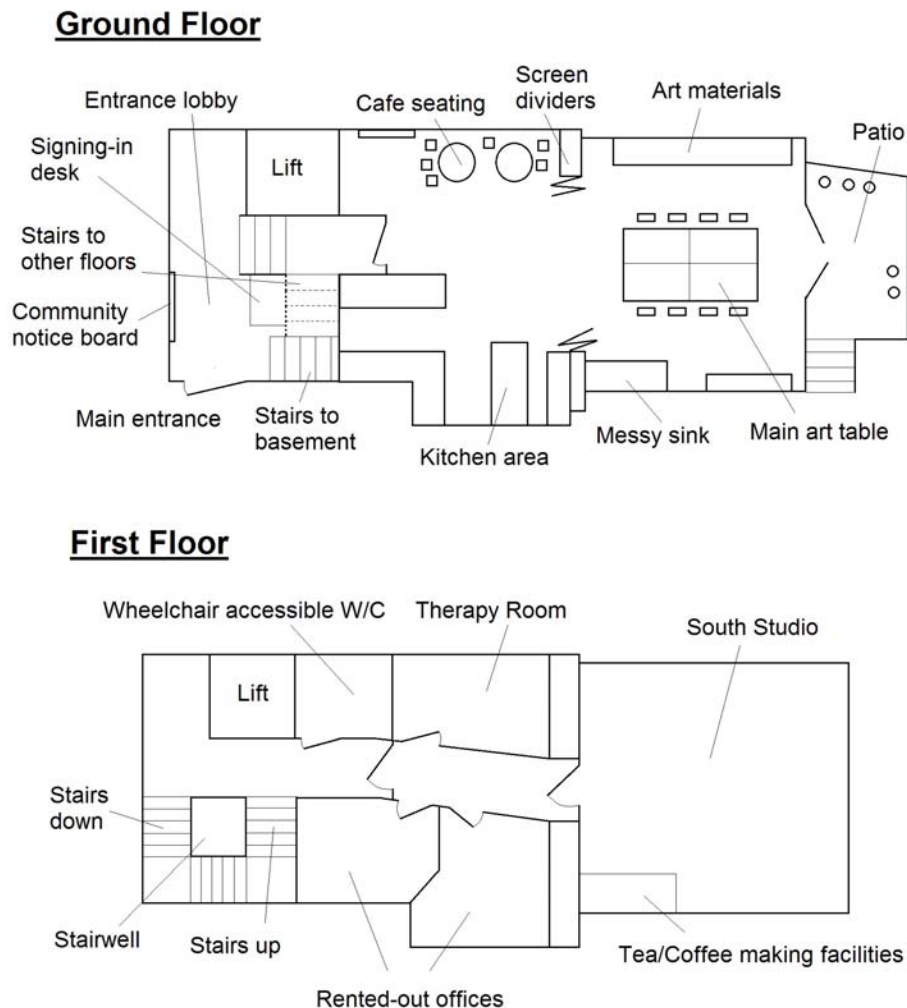


Figure 4.7: A plan of the ground and first floors of Artspace<sup>26</sup>

The main creative part of the building was located on the ground floor, and was open-planned. The creative activities occurred in the south end of the building, with the kitchen facilities and café tables located on the north side near the entrance. The main activity space could be altered or reconfigured fairly rapidly. The tables could be folded away and placed to one side of the room to provide an open floor space if needed, or moved into line to provide a more suitable set-up for the community lunch.

While the ground floor space was mostly open-planned, wooden shutters could be drawn across to separate the main activity space from the kitchen area if necessary.

<sup>26</sup> This diagram was composed with help from architectural plans and personal photographs.

At the back of the building, facing the art shed, a small section of raised patio, containing several potted plants, was sometimes used on warm days to provide ‘al fresco’ dining during the community lunch and community café. *Figure 4.7* shows a plan of the first and second floors.



*Figure 4.8: The stairwell is often used as an exhibition space. The ‘insect mobile was created by the men’s art shed.*

The stairwell (figure 4.8) led to the first and second floors. This space was described by a member of staff as ‘semi-public’, and for most of the year was used to host exhibitions by Artspace groups and external artists. Members of the public were encouraged to enter the building and view the exhibition in their own time.





*Figure 4.9: The South Studio during a lantern making workshop*

The first floor contained a number of smaller rooms, including the disabled toilet, the therapy room (used by independent therapists), two offices which were hired out to local people, and a square room known as the South Studio (see figure 4.9). The South Studio, like the main ground floor room, was a versatile, ‘chameleon’ space, used for meetings, exhibitions, and activities such as Tai Chi.



*Figure 4.10: The main Artspace office*

The second floor contained the staff office, which, like the ground floor, was open-planned (figure 4.10). A table sat in the centre of the room, its main purpose being to host discussions such as the weekly staff meeting. From the windows there



were substantial views out across Moughton and the surrounding countryside (figure 4.11).

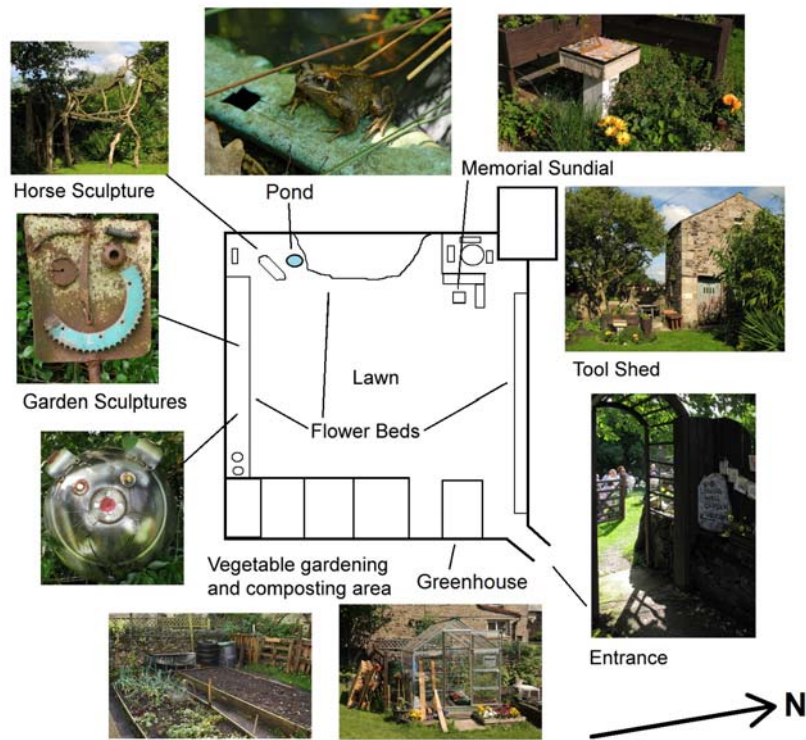


*Figure 4.11: The view over Moughton from the Artspace office*



*Figure 4.12: The Artspace art shed*

The workshop, otherwise known as the art shed (figure 4.12), was located at the back of the main building, and was used for messy or larger scale art, such as sculpture, metalwork, and carving, and contained a kiln for pottery making. It was a disordered space, used as a storage facility for several larger pieces of artwork considered too useful to be disassembled. The wood pellet fired boiler was situated in the workshop.



*Figure 4.13: An annotated map of the Artspace garden*

The Artspace garden (figure 4.13) was not directly connected to the main building, but was located on the other side of a small courtyard surrounded by private residents and local businesses. It featured a tool shed, greenhouse, and several small pieces of art created by practitioners and service users, including a sundial commemorating a previous member of staff who had passed away. A small vegetable patch provided the Artspace kitchen with fresh produce during the summer months. Gardening classes were held here during the growing season, with green-fingered service users being free to work on the garden in their own time. The lawn in the centre of the garden was sometimes used to hold tea parties or other gatherings on sunny days. While the garden was always accessible, a lock was fitted to the gate to give the impression that this was not the case, the aim being to prevent people not in the know from ‘misusing’ the garden in any way.

The garden was not owned by Artspace, but had been loaned to the organisation for six years, free of charge, by a local landlord. However, in the first quarter of 2012, the landlord started charging Artspace £500 per annum to continue to use it. Despite paying the fee that year, staff believed that it was a considerable sum of money, and there was a strong possibility that the organisation would give up use of the garden in future. Both staff and service users appeared to benefit considerably from

this quiet space, frequently spending a few moments in the garden to enjoy a cup of tea, cigarette, or simply some fresh air.

Another space which Artspace utilised was a room known as the ‘bank store’. Based in the attic of a nearby high street bank, it was used as a storeroom for various items belonging to the organisation, including costumes and musical instruments. Artspace paid the bank a peppercorn rent for use of this space.

#### 4.5.3: Financial Resources

Obtaining enough income had always been a challenge for Artspace, which, according to two core staff members, was partly attributed to the innovative, almost experimental nature of the organisation’s work, and the fact that it operated in a context where ‘there wasn’t anyone who would support arts and health’.

Artspace was successful in obtaining two blocks of money from the Big Lottery/New Opportunities Fund, allowing it to investigate ways that it could become more sustainable and thus plan for the future. Staff believed that the organisation was fortunate to have received such income, and that third sector organisations were often required to contend with much shorter blocks of funding. Although Artspace attempted to avoid any dilution of its overall mission, one member of staff admitted that in a period of recession, a charity would have to be ‘brave’ to turn down funding, even if it required the organisation in question to work outside of its remit.

Other grants from charitable trusts, such as from the Lloyds TSB Foundation, stipulated that Artspace should investigate how it could diversify its income. The organisation had also had some success at obtaining one-off or smaller grants throughout its existence. Maintaining positive relationships with funders has paid dividends for Artspace, with the organisation successfully gaining an extension of the Big Lottery wellbeing money in 2012 as the result of an underspend by other charities. The strength of the relationship between an organisation and its funder can be a more powerful determinant of grant decisions than the details of the project itself (Gronbjerg et al, 2000).

Another major source of income for Artspace was through its contract with social services. The organisation was contracted for a specified number of weeks each year to run the equivalent of a day service for people with diagnosed mental health difficulties. Artspace had also worked in partnership with local care trusts at various points in time. However, staff believed that these relationships were often one-sided,

with the statutory partners often expecting Artspace to do ‘something for nothing’. On occasions, money offered to Artspace did not materialise, or was inadequate considering the amount of work involved.



*Figure 4.14: Eye-catching donations boxes were located in prominent positions around the building*

Donations and fundraising had always been hugely important to Artspace, with the organisation maximising this potential by creating brightly coloured donations boxes (figure 4.14). However, staff believed the organisation had been more successful at obtaining donations when based in the old building. While the organisation was still in need of money as it ever had been, staff believed that the current clean and modern building portrayed it as being better off than it actually was. Staff were also careful as to how they portrayed the organisation in publicity materials; for example, they removed the word ‘thriving’ from a draft document because of the fear that people would incorrectly regard the organisation as being financially well-off.

In the past, while raising money for the building, Artspace had obtained considerable donations from other organisations within the town, with a local church and the community newsletter assisting the organisation financially. Staff, however, did not want to ask for money in this way again, believing that there were far more needy organisations and groups which could benefit from the community’s generosity. Nevertheless, Artspace had successfully been able to obtain material donations from

both individuals and businesses in recent years, with the kitchen units in the new building being donated by a national DIY chain.

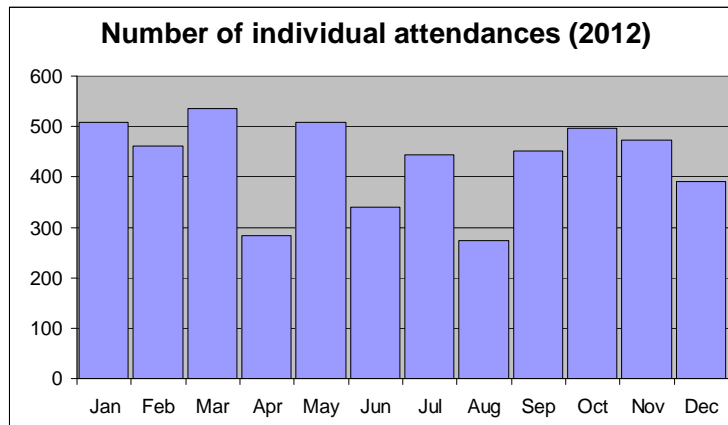
In recent years, Artspace had diversified its sources of income. This was a decision not simply made as a condition of external funding, but as a strategic move on the part of the organisation, both as a way of preventing ‘mission drift’, and to ensure it obtained enough money to maintain its services. Artspace sought to obtain 20% of its funding through social enterprise activity by year three of the 2010-2013 business plan, up from 5% in year one. However, as will be discussed in later chapters, the organisation faced a number of challenges when seeking to become more sustainable in the past, with opportunities for income diversification being both limited and fraught with difficulties.

#### 4.5.4: Stakeholders

Stakeholders were defined by Freeman (1984: 46) as “any group or individual who can affect or is affected by the achievement of the organization’s objectives”. It is important that an organisation identifies its stakeholders, as this enables it to respond appropriately to those it either depends upon or affects in some way or another. Maintaining positive relationships with stakeholders provides an organisation with both funding and legitimacy, and therefore these relationships must be carefully nurtured and maintained so as to maximise the chances of organisational survival (Gray et al, 1997). Artspace had a wide range of stakeholders, which could be classified into two groups: internal and external. External stakeholders included Adult and Community Services, the County Council, Primary Care Trusts (PCTs), GPs, other charitable organisations, Durham University, and the charitable trusts that funded the organisation such as the Big Lottery.

Internal stakeholders were defined as those individuals who were either employed by or were direct beneficiaries of Artspace. They included service users, practitioners, volunteers, core staff, and trustees. These roles were not clearly defined, with people switching between them comparatively seamlessly. For example, one paid practitioner often worked longer than her allocated hours, thereby crossing into a volunteer role. She also attended an art class to participate in her own work, thus also crossing over into the role of service user. The majority of staff members and practitioners, and indeed, a number of the service users themselves, worked outside their primary ‘roles’ at various times.

#### 4.5.4.1: Service Users



*Table 4.1: Number of individual attendances at Artspace activities during 2012*

Artspace attendees ranged from toddlers and young children through to pensioners in their eighties and beyond. As with arts projects elsewhere (Hacking et al, 2006), more women than men attended Artspace core activities, with men comprising an estimated third to two fifths of all attendees. 180 unique beneficiaries, not including those at celebratory events such as the lanterns procession and the pantomime workshops, attended Artspace in the twelve months prior to December 2012. *Table 4.1* above shows the total number of attendances per month during the same year. The low numbers of attendances in April and August were a result of the Easter break and the annual summer closure respectively.

Some service users attended most weeks, while others attended sporadically or periodically, sometimes going months between attendances. Some people attended for a short period of time, for instance, when between jobs, or when recovering from a low spell. Others service users, such as those who had retired, or who suffered from more severe and enduring illnesses, attended on a longer-term basis. Beneficiaries typically did not come from an ‘arty’ background, yet still found enjoyment through informal creative participation.

#### 4.5.4.2: Volunteers and Volunteering

Social enterprises draw upon a number of resources to achieve their varied goals (Gardin, 2006). Evers (2001) identified three main types of resources utilised by social enterprises. Two of these resource types are monetary in nature, and comprise income either given to an organisation to provide specific services, or given in



exchange for the achievement of specific outcomes. The third resource comes in the form of social capital. While voluntary support from the community can be calculated in quantitative terms, for example, the total amount of donated income, or the equivalent in hours of paid work, it also utilises a broader set of resources, such as a community presence, and strong contacts with other organisations and individuals. Social enterprises often rely “on a robust network of contacts that will provide them with access to funding, board members, and management and staff, among other resources” (Austin et al, 2006: 11). Without strong civic support, many social enterprises may be viewed as ‘quasi-state’ organisations (Evers, 2001).

Volunteering had always been hugely important to Artspace. Most people within the organisation contributed considerable amounts of their own time to ensure that it functioned smoothly and effectively. Many staff and practitioners put considerable time and effort into ensuring that large-scale community artwork was completed to schedule. The community artist mentioned that she often lost track of the hours she spent with the organisation, believing the art shed to be like a ‘second home’ to her. However, despite the importance of voluntary contributions, several staff members believed that Artspace needed to better recognise the extent of any unpaid work.

Service users often crossed over into a volunteer role, blurring the definition between these two identities. For instance, they often assisted practitioners with community artwork for events such as the lanterns procession, effectively assuming the role of ‘volunteers’ during these occasions. Several of the classes at Artspace were entirely run by volunteers. For instance, the Wednesday afternoon art group had been formed by a retired art teacher as a way of devoting time to the local community. The creative writing group was also user-run, with one service user facilitating it on an entirely voluntary basis. He chose to reject any form of payment from the organisation for his contributions, believing that he benefited as much from the organisation as it did from his leadership.

However, despite the success of these volunteer run groups, several staff members and trustees believed that it was necessary that Artspace retained paid employees and maintained its professional stance. It was felt that finding committed volunteers who would reliably attend every week was an issue, and that in addition, the organisation was working with vulnerable people, and therefore had to be aware of changes in the dynamics of the sessions at all times.

“...you need to have the expertise, its not just daubing paint, and hoping people feel better at the end of the day, it’s looking after the person and wanting people to do well, and they want to do well, and everybody feels better about it, so I think you need trained people and I think that’s why the people who come here value Artspace”  
(Interview with Rebecca (core staff), 04/03/11)

While there were also designated volunteer positions within the organisation, staff believed that managing volunteers took up considerable amounts of their time, requiring CBT checks and specific training on how to work with service users. However, recognising the importance of voluntary support, and the fact that this had been neglected somewhat in recent years, Artspace staff opted to train and nurture volunteers as a secondary purpose of the Alzheimer’s Project.

In addition, Artspace had recently started running occasional volunteer days, whereby people could assist the organisation in small ways, for instance, by repairing and cleaning bunting or any other resources which could be used or hired out. A large number of tasks of varying complexity were offered to service users, ensuring that everybody felt that they could contribute in some way. However, while it was clear that Artspace had benefited from voluntary contributions, two members of staff believed that the organisation could ‘only go so far’ on voluntary time, and that it needed actual money to survive.

#### 4.5.4.3: Trustees

As with the majority of charitable organisations, the trustees at Artspace were unpaid. Members of the board of trustees in social enterprises are essential to their wellbeing, helping them balance a business agenda with any social priorities (Royce, 2007). As of January 2013, eight trustees sat on the board. Artspace’s constitution states that there must be between three (the necessary quorum) and twelve trustees on the board. The Board also contained a Finance and Audit sub-committee.

Potential trustees were identified through a mixture of recommendation and advertising, and were appointed, often for strategic purposes, based on their experience in arts, management, health, and community development. Many trustees had strong links with statutory services. For example, one trustee worked as a GP, while another chaired a local care trust. Having close links with the statutory sector can often be beneficial for third sector organisations, as it can result in them obtaining concessions when working in partnership with the state, and allow them to influence policy at the local level (Howard and Taylor, 2010).



Having trustees with strong links to local health services also helped to ensure that any tensions between the holistic and innovative approach of Artspace, and the comparatively conservative and rigid approach of the National Health Service, was minimised. The inclusion of a trustee from a medical background also had the added advantage of preventing Artspace from marginalising itself too much in a sense. This trustee had argued that many organisations based around alternative health could be threatened by people with ‘wacky ideas’, unsupported by scientific evidence.

However, despite having what was considered to be a strong and diverse selection of people on the board, there was still criticism that trustees interfered too much at times with day to day management.

“...my impression is that some of them would rather want to get their hands a bit too dirty, in other words get too involved in the operational side of things, and not allowing the management to do some of the stuff which is a management decision, and shouldn't be concerning the board...” (Interview with Graham (trustee), 14/09/11)

Another trustee believed that the Board in general had become more detached from beneficiaries in recent years. In the past, the importance of the link between the Board and Artspace's beneficiaries had been emphasised, with the organisation having two voted user representatives between the years 2000 and 2009. While this setup worked successfully, it also had to end owing to changes within the organisation, where the trustees had moved away from having a ‘hands on’ role within the organisation, towards being more concerned with governance and oversight. Some of the topics of discussion, such as those concerned with finance and human resources, were also not considered appropriate for service users.

To challenge the detachment between the Board and service users, prospective trustees were encouraged to adopt a more ‘hands on’ role prior to their official appointment. This would enable them to gain a sense of Artspace and how it operated, with the hope that they would remain ‘involved’ after formally accepting a position on the board.

#### 4.5.4.4: Partnership Working

Artspace believed in developing positive relationships with other organisations, whether they were commercial businesses, social services organisations, or other charities in the local area. Having strong links to other community organisations was considered advantageous as Artspace could ‘signpost’ service users on to other

organisations once they felt confident enough to move on. It also believed that close partnership working could lead to mutual benefits for all organisations concerned.

“I think this organisation’s always been proactive in looking at partnership as a good thing, and I think its being met with reciprocity in a way that perhaps hasn’t happened before...” (Interview with Lauren (core staff), 22/07/10)

The discourse that third sector organisations should work in partnership has been challenged in recent years by increasingly limited or restricted funding opportunities, with organisations having to compete for the same money (Kendall, 2005). However, I found no evidence to suggest that Artspace sought to directly compete against rather than work closely with other organisations in the area. At the same time, Artspace always sought to maintain its independence, believing that the best approach to partnership was to work closely with other organisations whilst remaining separate and distinguishable from them all times.

Artspace staff believed that the organisation should remain highly visible in the community, and sought to identify key individuals with whom it should work. They were always proactive when working with other organisations, sharing skills and recognising that each side could learn from and support each other in meeting people’s needs. Artspace also attempted to be visible at strategic partnership meetings and consortium group meetings in an attempt to ensure that the organisation maintained a high profile at all times.

#### **4.6: Conclusion**

This section provided a context to Artspace, highlighting the organisation’s history, resources, stakeholders, and the nature and origins of its unique way of working. While there was clearly a need for Artspace’s services in the local community, such an organisation may never have existed if it hadn’t been for the drive and commitment of its founder. Although there had been many changes to the organisation since its inception, the organisation’s inclusive ethos, influenced considerably by the *Peckham Experiment*, had largely been maintained. However, this ethos has also been threatened at various points in time, requiring staff to adopt a number of strategies to minimise both mission drift and challenges to organisational legitimacy.

Using the case study of Artspace, the next four chapters detail four specific threats to ethos and values that third sector organisations may face, and investigates

how they may respond to such threats. These findings were based on empirical data largely obtained through participant observation, informal conversation, and formal interviews with staff, beneficiaries, practitioners, and trustees.

Chapter five discusses how discourses of modernisation and professionalism can impact upon the ethos of third sector organisations. Chapter 6 discusses the issue of evaluation, detailing how organisations can respond to stakeholder demands for quantified evidence of their efficacy, while Chapter 7 investigates how organisations can manage complex tensions with their beneficiaries. Chapter 8 investigates the challenges facing organisations that desire to be as socially inclusive as possible, looking at the successes and shortcomings of having a caring, beneficiary-centred ethos, based around the needs of the individual.

## **Chapter 5: Artspace and Restructuring**

### **5.1: Introduction**

The majority of third sector organisations will experience changes to their structure, identity, and focus over the course of their lifetime (Bailey and Grochau, 1993; McKinney and Kahn, 2004). While, in many cases, these changes will occur as a result of their expansion and evolution, there is also evidence that they are the natural consequence of a broader shift in expectations as to how organisations should be run, with an increased emphasis on professional ideals such as strategic planning, financial audits, the use of consultants, and quantified monitoring (Harris et al, 2001; Hwang and Powell, 2009).

Artspace has adopted many of these ideals over the course of its existence. It evolved from a largely voluntary-based venture into a professional organisation based around a hierarchical staff structure, capable of working with a diverse and expanding range of stakeholders. Despite these changes, Artspace employees believed that the organisation had largely maintained its pioneering, holistic, and person-centred nature, despite such goals often being vulnerable to the formalisation of working practices (McKinney and Kahn, 2004).

This chapter focuses on the benefits and disadvantages that restructuring can bring to smaller third sector organisations, and its effects upon their ethos and values. Drawing on the concept of ‘institutional isomorphism’ (DiMaggio and Powell, 1983), the chapter investigates the extent to which organisational restructuring within the third sector is influenced by the institutional environment. It also asks whether organisations are capable of making changes to their operation for strategic purposes, and the extent to which they show active agency in any decision-making.

### **5.2: Organisational Restructuring**

Third sector organisations are particularly vulnerable to organisational demands and expectations originating in institutional settings (Anheier, 2000; Foster and Meinhard, 2002). Whenever change is driven by external factors, tensions may emerge between the wishes of third sector organisations to preserve their ethos, goals, and working practice, and pressures to respond effectively to the “transient demands of their external environment” (Chew, 2010: 610). Organisations dependent upon

statutory income are particularly vulnerable to changes to public sector policy, often requiring them to adapt if they want to survive (Alexander, 1999).

This pressure on third sector organisations to restructure emerged as a result of changes to public sector management in the 1970s and 80s, a process which slowly trickled down to third sector organisations. While it was argued that efficiency and effectiveness would result in greater accountability and higher quality services for beneficiaries and the general public (Kramer, 1990), at the same time, doubts were raised as to whether a corporate managerial structure was suitable for either the public or third sectors.

### 5.2.1: Public Sector Restructuring

From the 1970s onwards, the public sector in a number of countries, including the United Kingdom, United States, France, and Australia, experienced a number of reforms to its structure and management, based on the concepts of consumer choice and performance management (Kaboolian, 1998; Kramer, 1990; Miller and Rose, 2008). The reforms in each country drew upon similar technology and had similar end goals, and were referred to by Hood (1995) as the ‘new public management’.

Proponents of this approach believed that the public sector could learn much from the principles of the corporate world, with the adoption of such principles thus helping to reduce the inefficiency and waste commonly associated with statutory organisations (Hood, 1995; Lane, 2009; Smith and Ingram, 2002). Why this paradigm shift occurred was unclear, though Hood (1995) believes it may have been related to the development of technologies of electronic data handling and networking, thereby providing new opportunities to lower the direct costs of public administration. Such ‘calculative technologies’ also allowed organisational performance to be monitored remotely and in real time (Rose 1999).

The ideology of the new public management approach was characterised by two main assumptions. The first assumption was that organisational performance could be improved through a belief in the efficiency of the market and the value of competition. The second was that management strategies utilised in the private sector were superior to the status quo, with management being a generic practice that could be successfully applied elsewhere (Kaboolian, 1998; Teghtsoonian, 2009). Traditionally, there had been differences in management between the private and public sectors, with private sector management having profit maximisation as its

ultimate goal, whereas public sector management was based on the accomplishment of social objectives (Lane, 2009).

The new public management sought to lessen or negate differences between the private and public sectors, and emphasised the importance of accountability as defined by performance and results, rather than by process (Hood, 1995). It separated purchasing from provision, and was responsible for the implementation of a 'contract culture' (Lewis, 1999). Organisational performance was measured in a number of ways, often indirectly through contracts and targets (Rose, 1999), and this information was made available to the general public. For example, schools and hospitals in England could be directly compared with others based on their performance.

The NHS was one of the large public sector organisations in the UK subject to these management changes (Hanlon, 2001; Strong and Robinson, 1990). Until 1984, the NHS had failed to establish a single line of command between the top and bottom of the service. As with many statutory services, the NHS was dominated by various professional associations, groups and syndicates. It was ruled at the local level not by a manager, but by the "collective power of individual medical preference" (Strong and Robinson, 1990: 17). The 1984 reorganisation drew upon modern business methods to assert a system of centralised managerial control, and focussed on cost effectiveness and quality, emphasising performance monitoring and a delegation of responsibility.

However, employees and academics had doubts about the application of a system, developed in the private sector and based around the sale of goods, to complex personal services such as health care. Reorganisation was believed to place considerable emphasis on cost and efficiency, yet had a minimal focus upon quality and outcomes. At times, the imposition of standardised working practices disregarded the beliefs and opinions of those front-line workers as to what constituted effective care, and often competed with attempts to provide for individual needs (Maben, 2008). In addition, treating patients as customers by endeavouring to provide them with choice did not have the desired effect of empowering them. Rather, the priority for many patients was having access to a convenient and local service (Evers, 1995; Strong and Robinson, 1990).

## 5.2.2: Restructuring and the Third Sector

### *Increasing Importance of the Sector to the State*

The implementation of the principles of new public management in the statutory sector had implications for the voluntary and community sector, both in the UK, and in other countries that had experienced public sector reforms (Lewis, 1999). Changing welfare provision was one possible drive for management reform in the third sector. The welfare state had evolved from being based around a universalist model, towards one that was more fragmented and pluralist in nature (Barnett, 1999). In the last decades of the 20<sup>th</sup> century, cultural shifts and the changing role of the government meant that considerable opportunities arose for third sector organisations to take on responsibilities previously located largely in the domain of the state, and to assist in the provision of a range of essential services. In the 1980s, the Thatcher administration sought to promote an enterprise culture, drawing heavily upon the services of non-governmental organisations (Kramer, 1990).

It was in the government's interests to ensure that these diverse organisations, all of which had their own ways of working, were brought into a common orbit (DiMaggio and Powell, 1983). These moves towards standardisation, achieved through the adoption of formal, rational practices, would thus ensure transparency, and enable effective monitoring and evaluation to take place – thereby making these organisations more governable (Miller and Rose, 2008). The ideology underlying such changes stressed value for money, individualism, voluntarism, competition, and consumer choice. The legitimacy of organisations was no longer concerned solely with adherence to charitable values, but also with efficiency and cost effectiveness (Kramer, 1990). Along with these increased demands for accountability, third sector organisations often experienced a sharp increase in the need for their services, as they absorbed the cost of welfare reform (Alexander, 1999).

Third sector organisations moving into mainstream provision were encouraged to think along the same lines as government agencies. In 1989, the Home Office undertook an efficiency scrutiny of government funding of the voluntary sector, seeking to ensure that the state was obtaining value for money from third sector organisations, and establishing the grounds on which funding to organisations was justified (Lewis, 1999). It insinuated that third sector organisations were of interest to the government when they were instrumental in meeting its objectives. Rather than

work locally, or with particular groups of people, organisations were expected to “think strategically about national welfare needs and how to respond to them” (Harris, 2010: 32). They were increasingly asked to broaden their scope, and to expand their activities into other areas (Kramer, 1990). Organisations were thus held accountable not only in an operational or fiscal manner, but strategically or politically as well (Taylor and Warburton, 2003).

However, as a result of the government’s influence on the direction, structure, and working practice of third sector organisations, many commentators argued that the sector had lost its independence, effectively becoming part of a wider ‘shadow state’ (Wolch, 1990). Jenkins (2005) believes that the increased professionalisation of the third sector resulted in a ‘one size fits all’ approach, with the opinions of ‘experts’ in central government overriding local knowledge, thereby neutralising alternative ways of working. Furthermore, the complex and often inappropriate regulatory requirements imposed upon third sector organisations were considered to be partly responsible for the increased polarisation between larger, professional organisations, and smaller, community-based charities (Russell and Scott, 1997).

#### *The Increased ‘Marketization’ of the Third Sector*

In previous years, management was often regarded in negative terms by third sector organisations, who considered it to be at odds with notions of voluntarism and compassion (Anheier, 2000). However, in response to statutory pressures, many third sector organisations began importing business models and practices, a trend which Salamon (1997) termed the ‘marketization’ of the sector.

The gradual trend towards private sector management within third sector organisations was not reversed with the election of New Labour in 1997, with proponents of the ‘Third Way’ arguing that social goals and economic development could complement one another (Harris, 2010). Notions of professionalism were not restricted solely to statutory funding, but were increasingly demanded by independent and corporate foundations, which required organisations to become more efficient and sustainable to meet their funding criteria (Alexander, 1999; Froelich, 1999).

The third sector became increasingly professionalised, with the introduction of shared training and occupational norms (Hwang and Powell, 2009). Prior to the 1980s, those working in the third sector lacked a common professional identity (Mulhare, 1999). While they often recognised that their work occupied the ‘space’ between the



public and private sectors, they did not consider themselves as part of a wider, 'nonprofit' family (Young, 1993). Gradually, however, third sector employees developed professional and social networks with others in their field (Khurana, 2007), started to follow trends in other organisations, and adopted standardised practices and procedures (Hutchinson and Cairns, 2010; Hwang and Powell, 2009).

In some sense, a greater emphasis on professionalism within the third sector was a means by which organisations could respond to financial uncertainty (Anheier, 2000). Increased competition for limited sources of funding compelled organisations to search and apply for external income systematically and effectively (van der Heijden, 1999). As a result, trained and efficient people were increasingly valued by third sector organisations, with managers with private sector backgrounds often being sought after (Parsons and Broadbridge, 2004).

Third sector organisations were also expected to draw upon the skills of 'experts', in the form of consultants, to ensure that methods of 'good practice' were implemented, and to improve other areas of the organisation considered 'unprofessional' (Hwang and Powell, 2009). As social enterprises seek to generate a surplus, they are thus likely to adopt performance management tools and other practices from the private sector to enable this goal to be realised (Lyon and Humbert, 2012). To ensure that they were portrayed as efficient and as offering value for money, organisations often focussed on recruiting capable employees with a strong work ethic (Bacchiega and Borzaga, 2001).

Statutory pressures on third sector organisations to operate in a more market-based and efficient manner have been justified on the grounds that this will result in improved organisational performance and better services for the general public (Clarke and Newman, 1997; Kramer, 1990). However, on the other hand, the increased standardisation of practices and procedures as a result of professionalisation and restructuring can impact negatively upon an organisation's ability to respond effectively to local need (Putnam, 2007). This may be especially pronounced for smaller organisations, who may find that they have to direct more of their resources towards administration requirements, leaving less money available for service delivery (Alexander, 1999).

Concerns have been raised that the adoption of business goals can result in internal conflicts of values (Carmel and Harlock, 2008; Kramer, 1990), and work against community leadership and beneficiary involvement (McKinney and Kahn,

2004). A drive to remain competitive may deter social enterprises from employing disadvantaged or disabled individuals, who may not be as productive as the pool of potential employees in society as a whole (Amin, 2009; Blackburn and Ram, 2006).

In addition, while private sector organisations usually hold a single ‘bottom line’, third sector organisations may hold several, based on the needs of their beneficiaries, the desire to raise income from any commercial programmes, and the values and convictions of staff and volunteers (Anheier, 2000). Therefore, it may be a challenge for organisations to gauge which ‘bottom line’ is most important (Anheier, 2000).

### *Institutional Pressures*

Organisational restructuring often occurs as a result of isomorphic change, which explains why there has been a gradual trend towards the adoption of business principles within the third sector. Institutional theory has traditionally focussed on how organisational structures and routines are a direct response to pressures from taken for granted rules, norms, and discourses (DiMaggio and Powell, 1983; Lister, 2003; Scott, 2004). Various organisational features “become transmitted, sustained, and resistant to change over time as a result of conformity to institutional rules or expectations” (Oliver, 1991: 149). While institutional theory often considers the state to be the catalyst or driver of institutional isomorphism in the private and third sectors, public sector organisations are themselves not immune from such pressures (Frumkin and Galaskiewicz, 2004).

DiMaggio and Powell (1983) identified three mechanisms of isomorphic change, which can be coercive, mimetic, or normative in nature. Coercive isomorphism occurs when one organisation is either formally or informally dependent upon a dominant organisation for resources of various kinds, and experiences pressure from this organisation to conform to its needs (DiMaggio and Powell, 1983; Sud et al, 2009). This is the most common form of isomorphism experienced by third sector organisations, given their dependence on funding from external sources (Leiter, 2005).

However, the other two mechanisms of institutional isomorphism also play a role. For example, because of the uncertainty faced by many third sector organisations, they may choose to imitate aspects of other successful or established organisations, even where doing so is not optimal to their needs or goals. This is known as mimetic isomorphism (DiMaggio and Powell, 1983; Meyer and Rowan, 1977).

Normative isomorphism occurs as a result of professional pressures (Brinkerhoff, 2005; DiMaggio and Powell, 1983). For example, people working within a specific field typically receive standardised forms of training, resulting in them experiencing similar worldviews to other professionals within that field (DiMaggio and Powell, 1983; Mizruchi and Fein, 1999). Unlike coercive isomorphism, which stems from wider political influence, both normative and mimetic isomorphism are internal to the organisational field (Frumkin and Galaskiewicz, 2004).

According to the concept of institutional isomorphism, organisations operating within a specific field do not maintain their own identity, but adopt the dominant practices of that field (DiMaggio and Anheier, 1990), becoming closer in structure and practice to dominant or powerful stakeholders (Sud et al, 2009). Organisations may utilise 'nonchoice' behaviours, with particular standards or practices emerging as the correct way of working (O'Malley, 1996; Zucker, 1987). The value of conforming to external demands is emphasised, with the belief that it is in an organisation's best interests to adhere to such norms (DiMaggio and Powell, 1983). This enables organisations to "increase their legitimacy and their survival prospects independent of the immediate efficacy of the acquired practices and procedures" (Meyer and Rowan, 1977: 340). Organisations, therefore, may feel they should operate in a certain manner, even where doing so is detrimental to their efficiency, simply because the practice or expectation is both widespread and taken for granted (Frumkin and Galaskiewicz, 2004; Meyer and Rowan, 1977). This is referred to as voluntary diffusion (Oliver, 1991).

However, others believe that organisations can actively shape their environments to ensure that they continue to obtain resources (Pfeffer and Salancik, 1978). The resource dependency theory model argues that organisations are unable to internally obtain all their resources and legitimacy necessary to survive, and must therefore enter into transactions with external actors and organisations (Aldrich and Pfeffer, 1976). Organisational stability is achieved through the use of power and negotiation in an attempt to obtain a predictable flow of resources, both financial or otherwise (Oliver, 1991). According to this perspective, organisations are effective where they can meet "the demands of the various groups and organizations that are concerned with its activities" (Pfeffer and Salancik, 1978).

Both institutional theory and resource dependency theory accept that choice, albeit constrained by external factors, is possible for organisations. Both perspectives

believe that organisations are interest driven, and attempt to seek out stability and legitimacy. However, while institutional theorists have traditionally<sup>27</sup> focussed on how the institutional environment can impact upon conformity and isomorphism, resource dependency theorists emphasised agency, the importance of rational action, and the potential for organisations to manipulate the institutional landscape (Oliver, 1991).

Charities will often position themselves strategically in response to an evolving policy context and a competitive fundraising environment (Chew, 2005). Organisations often become hybridised, combining elements of market and state, as well as those elements traditionally associated with third sector organisations (Brandsen et al, 2005). Organisations may adopt ‘active’ strategies to manage relationships with stakeholders and maintain their autonomy and flexibility. For example, they may seek to dismiss, challenge, or even attack any specific demands. In some instances, they may attempt to change the institutional environment itself through co-optation, influence, and control (Oliver, 1991).

### **5.3: The Impact of Restructuring on Artspace**

In common with many other third sector organisations, Artspace changed its structure and working practice. In some instances, these changes were voluntary or ‘proactive’ in nature, with staff believing they could have internal benefits to the organisation. In other instances, Artspace was compelled to implement changes or new procedures, either as a result of external demands which it had no control over, or because of normative pressures exerted as a consequence of dominant discourses. Proposed changes to statutory provision, such as the introduction of personalised budgets, public sector contracting, and GP commissioning, were non-negotiable, resulting in Artspace being required to implement a number of internal changes.

Artspace staff believed that change was a ‘fact of life’, both for it and for other third sector organisations. According to the organisation’s ‘emerging vision’ document, published at the start of 2013, Artspace had always ‘embraced change as a necessary and important evolution which has kept the company buoyant and alive’. Staff argued that despite its success, the organisation should never ‘rest on its laurels’, and should

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<sup>27</sup> Tracey (2012a) notes that from the mid 1990s onwards, institutional theorists became increasingly interested in understanding the role of agency in institutional change. The development of the notions of ‘institutional work’ and ‘institutional entrepreneurship’ helped to expand the capacity of institutional theory through their focus on the “different types of strategies that actors employ when seeking to manipulate their environment” (p96).

always try to avoid becoming 'stale'. Change, for Artspace, was more than about simply conforming to external demands, but was a specific strategy necessary for the organisation to survive, adapt, and expand.

In some ways, organisational restructuring within Artspace was inevitable, given the organisation's expansion, the diversification in its activities, and the change in the wider political landscape ever since it first started offering services to the community back in 1997. Over the years, the organisation had created permanent staff positions, had worked with an increasing number of stakeholders, and had run a wider range of activities, thereby benefiting a greater number of people. As the organisation professionalised, it either elected to or was compelled to formalise its working practices, resulting in an increased number of rules, regulations, and procedures.

Organisational change had a number of benefits and disadvantages to Artspace, some of which were unpredictable, unexpected, or which manifested themselves some time after changes had been implemented. Benefits to the organisation included improved survival prospects, increased organisational legitimacy to its funders, and a greater ability to benefit the community. Disadvantages, on the other hand, included reduced organisational legitimacy from the perspective of some stakeholders (particularly beneficiaries); logistical challenges; challenges to the organisation's ethos; and the fact that organisational restructuring often led to disagreements emerging between members of staff, who had different ideas as to how Artspace should progress forward.

#### **5.4: Strategic Responses to a Changing Institutional Climate**

Three important changes to Artspace's practice occurred over time: the diversification of its income sources, the separation of staff functions, and changes to procedure and working practice. These changes occurred on both the 'backstage' and 'front-line' of the organisation. While all these changes could be argued to have occurred as a result of institutional isomorphism, it could equally be argued that self interest and active agency also played a considerable role.

##### **5.4.1: Social Enterprise Activity**

The decision to engage with social enterprise activity was one particular aspect of organisational restructuring which Artspace had experimented with at various points in time. In some ways, Artspace's drive to become more sustainable was associated

with the increasingly legitimised nature of social enterprise (DiMaggio and Anheier, 1990), with sustainability and income generation being frequently linked with conditions of funding (Dart, 2004b).

For example, the Big Lottery offered five years grant funding as part of its 'healthy living centre' scheme, on the condition that Artspace investigated ways in which it could become more sustainable. Distributors of Lottery money have typically sought to encourage innovation, rather than pay for continuing service provision (McKinney and Kahn, 2004). While the HDA (2000) recognised the importance of initial seed funding for new arts and health projects, it proposed that organisations should attempt to become more self-sufficient once the period of funding came to an end. Therefore, in a sense, Artspace had been coerced into adopting social enterprise activity as a result of dominant institutional pressures.



*Figure 5.1: Artspace has attempting to raise additional income through selling user-made crafts*

However, social enterprise activity was also sought for strategic purposes<sup>28</sup>. The decision to seek out new sources of income was consistent with resource dependency theory, whereby organisations will actively seek to change the source of their dependency in response to changes in the institutional environment (Froelich,

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<sup>28</sup> Ideally, the adoption of social enterprise activity should be strategic in nature. Organisations that adopt such activity for reactive rather than strategic reasons are more likely to experience failure (McBrearty, 2007).

1999). Organisations that maintain multiple sources of funding are also less vulnerable to the demands and influences of individual stakeholders (Knoke, 1983; McKinney and Kahn, 2004). While statutory income can provide an organisation with greater stability, on the other hand, there is a cost to the recipient organisation in that it must “adhere to minute details, intense monitoring, and prolific reporting”, a process requiring “highly formalized and standardized procedures” (Froelich, 1999: 260). In addition, statutory demands and expectations are rarely stable for a considerable length of time (Alexander, 1999), with organisations being required to continuously respond and adapt to changing policy to ensure that they maintain legitimacy with the government.

One of the key aims of Artspace’s 2006-10 business plan was to investigate how it could generate substantial funds to support its basic requirements. A number of social enterprise plans had been considered by Artspace throughout its history. Some of the plans that had been given serious consideration included a community car park, the development of creative training for private businesses and the NHS workforce, and the hiring out of space to businesses and community groups within the Artspace building. Other plans were smaller in scale and remained only as ideas; for example, these included opening a biker’s café at weekends, selling hot soup at farmer’s markets, and introducing a ‘friends of Artspace’ scheme.

One income generating scheme – the hiring of space in their building – was made possible after Artspace relocated to its current premises. As the organisation was successful in obtaining grant funding at the time to cover core costs, this additional income enabled the organisation to build up a valuable surplus. Between 1<sup>st</sup> September 2011 and 31<sup>st</sup> August 2012, Artspace raised 12%<sup>29</sup> of its income through social enterprise activity<sup>30</sup>, the vast majority of which came from room hire charges. This surplus, being comprised of unrestricted income, was used by Artspace to pay staff salaries during times of limited grant and contract funding. The use of retained surplus is highly important to organisations that are either dependent on few sources of income, or which operate in an insecure financial climate (Lyon and Humbert, 2012).

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<sup>29</sup> The finance officer believed that this figure would have been closer to 20% had the local authority not cancelled several classes it ran in the building.

<sup>30</sup> This figure did not include income raised through contracts with the public sector, which is sometimes considered as ‘earned income’ (Lyon et al, 2010).

Despite the success of the room hire charges, this was only one of many possible income generating activities identified by the organisation. Despite spending considerable effort identifying possible ways to diversify its income, many of these schemes ultimately did not come to fruition. For example, in 2007, Artspace successfully applied to become part of a social enterprise development scheme run through a regional development agency. It received advice from whom one member of staff referred to as ‘men in very smart suits’, who visited the organisation to advise it how best it could proceed<sup>31</sup>. While Artspace staff collaborated with the consultants to develop a number of possible business plans, these plans were all believed to be unviable in the long term, taking the organisation into a ‘fantasy land’ of what it was able to do. For instance, offering a variety of chargeable activities would only raise a limited amount of income, incapable of paying even core costs, let alone generating a surplus for the organisation. A further challenge to these original plans occurred when the Primary Care Trusts substantially cut their staff training budgets, with Artspace thus having to cancel its plans to train NHS employees in using creative techniques. No viable ideas for raising income had been identified through the development scheme, with the whole period of consultation ultimately being seen as a failure.

“...they visited numbers of times and it was all paid for by [the regional development agency] and it all came to absolutely nothing, because none of the ideas were fit to take off. And it was pie in the sky to think that we could start a money making venture which would pay for everything, so once again you fall back on the idea that you’ll get grants and commissions, which is how we get the money...” (Interview with Scott (core staff), 10/02/11)

Although staff and trustees had themselves identified a number of smaller, yet equally viable, schemes to raise income, ultimately, these schemes were not pursued owing to limited time and money. Attempts to diversify its sources of income also, in some cases, had negative implications for Artspace, and contributed to a reduction in the organisation’s legitimacy from the perspective of the local community. During the period of consultation with the regional development agency, one of the consultants argued that in order to raise substantial income, Artspace had to think on a larger scale. The most viable scheme identified was for the organisation to develop and run a separate community enterprise in Moughton, which would raise money to be subsequently reinvested within the arts side of the organisation. The scheme, occurring

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<sup>31</sup> While Artspace received £5000 for specialist consultancy through the regional social enterprise development scheme, the whole process also involved considerable staff and trustee time.



with assistance from a local ‘gateway town’ initiative, would have involved Artspace purchasing a field on the edge of town, and developing a ‘green’ community car park (complete with grazing sheep) and accommodation for visitors. Feasibility studies were conducted in 2007, which investigated the potential of Artspace becoming a lead partner in the development of a designated site near the town’s railway station, and these proposals were taken to the board of trustees in May 2008. However, this scheme resulted in Artspace losing considerable legitimacy with local traders and council members.

“...the council and the traders or the kind of commercial side of Moughton started to see us as a threat, why should we run a business in Moughton when the private sector should be doing it, and we were just a charity, and doing something else, and I really picked up this cold shoulder which I didn’t like, it’s actually still affecting us a bit now...” (Interview with Susan (core staff), 23/07/10)

Although the district council had been in favour of these plans, this enthusiasm was not seen on the local level, with counsellors and businesses believing that Artspace was ‘stepping outside of its place’ in the community. The trustees eventually dropped these plans, and staff felt that the whole process had been a ‘waste of time’, which had ultimately done more harm than good. The board of trustees also believed that even if the scheme had been approved, it would have required considerable time and resources, and queried the fit with the overall ethos and values of the organisation. Looking back at these plans retrospectively, staff believed that they had been ‘dragged down a path of doing not what we were good at’. In addition, the negative relationship with the local community persisted long after these plans had been dropped.

Two members of staff believed that there has always been a general hostility towards Artspace receiving grants and funding from some quarters, given that local businesses often struggled to survive, and were therefore also in need of financial support. The fragility of this relationship also limited any possibilities for future social enterprise activity, particular those involving competition with local businesses.

[Susan] mentioned that they would be running a stall outside the house to sell some of their produce. However, Susan mentioned that the local businesses may not be particularly happy with this arrangement, even though this would be a small scale stall (Excerpt from field diary, 12/09/10).

I spoke to Louise who was working in the kitchen at the time. She mentioned that there was a fine line between ensuring that they [the community café] didn’t operate at a loss, and making sure that they didn’t threaten other cafés in the town (Excerpt from field diary, 15/09/10).

In some ways, the adoption of commercial values actively challenged Artspace's values of reciprocity, community, and generosity. For example, while the Artspace-developed Discovery Outcomes Tool (DOT), was seen as a potential means by which the organisation could generate income through its marketing to other Arts and Health organisations, Susan disagreed with the idea of making profit out of knowledge which could potentially benefit other organisations and their service users. Susan, and others on the grassroots side of the organisation, considered the adoption of a commercial identity to be neither appropriate nor desirable for Artspace's ethos and line of work.

“...I think we made the decision that we're going down a kind of business, social enterprise route, in the way that the business people are wanting to see it, was not appropriate for us...its not easy for a small charity like us who are good at doing people work, everything we do is about creating a space for people to kind of find themselves and everything, that just doesn't go with the sort of business head...”  
(Interview with Susan (core staff), 23/07/10)

Even though the room hire element of the organisation had successfully raised some much needed income, it did not come without its own problems. For example, it took Artspace longer to raise income in this manner than had been anticipated in the business plan. In addition, increased reliance on this income also had a potentially negative impact upon Artspace's legitimacy in the eyes of certain beneficiaries and groups. For example, one of the oldest independent groups that met in Artspace frequently exceeded the time it had booked. While, in the past, Artspace staff had overlooked the extra use of time, they also argued that increased pressure to maximise the use of space would mean that in future, they would have to tell the group to finish promptly. Challenging the expectations that the group had built up over time was seen to potentially risk upsetting the group's members, thereby affecting Artspace's standing within the local community.

#### 5.4.2: Separation of Functions

Changes to Artspace's staff structure occurred over time, partly as a result of expansion, and partly because of a desire to formalise working practices. In both cases, changes were predominantly driven by the organisation's aspirations to improve its efficiency and effectiveness, and could therefore be described as being strategic in nature. As the organisation grew in size and scope, new staff positions, such as the administrator, were created. Previously, administration work had been shared amongst

other members of staff. Specific positions were also created to manage new funding streams associated with the Lottery-funded ‘Wellbeing’ and ‘Alzheimer’s’ projects.

In addition, existing positions within the organisation evolved or changed over time. In recent years, the board of trustees became considerably more detached, focussing more on oversight, and less on management and the day to day running of the organisation. Another major change had been the separation of management from creative direction, enabling Artspace’s founder to remain free to come up with pioneering ideas, without having to worry about the day to day ‘burden’ of running the organisation.

“...the company reached the point where it needed the kind of structure that its now got, where its got a strong central management structure, and which doesn’t include the person who thought of the ideas in the first place, namely Susan, because it leaves her free to still come up with ideas but without being unnecessarily burdened with all the day to day management of what is now a much larger organisation than the one she started...” (Interview with Scott (core staff), 10/02/11)

Within social enterprises, there is often a change in focus from entrepreneurship to professional management, where the manager “take[s] over from the Founder and drive[s] the company to become more thoughtful and less intuitive in the way it manages itself” (Adizes, 2002). Artspace appointed a manager in 2009<sup>32</sup>, who, to some extent, inherited a situation that was chaotic, disorganised, and lacking in direction (Adizes, 1999). The organisational review which Artspace undertook had sought to counter this loss in focus that it had experienced in recent years.

“...at one point nobody knew who was managing who, and who was responsible to who, and I think that long term vision, in terms of what we were aiming for and how we were going to get there, just hadn’t been thought about, so it became absolutely necessary if we were going to survive, that we had a much clearer structure, with clear lines of responsibility and accountability.” (Interview with Gina (trustee), 08/08/11)

“...one of the huge problems about voluntary organisations is that often the people with really good creative ideas aren’t necessarily good managers, and it can be that an organisation with the best will in the world and the best intentions can sort of go forward in a very unstructured, and in what can become a chaotic way...” (Interview with Helen (trustee), 18/07/11)

At the same time, Susan disliked how the separation of positions within the organisation had reduced her influence somewhat. While acknowledging that these

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<sup>32</sup> This position was an ‘interim’ management position at first, later becoming a permanent position. Artspace had previously created a short-lived management position between 2003 and 2004 which had not been successful for the company.

changes were a necessary aspect of organisational restructuring, allowing Artspace to improve its efficiency and accountability, she was also concerned that they would result in Artspace moving away from its original values and goals. However, on the other hand, organisations that are unable to relieve themselves from a dependency on their founders may fail prematurely, falling into what has been referred to as a ‘founders’ or ‘family trap’ (Adizes, 1999). One way that this may happen is when “owners insist on staying actively involved in decision-making and daily management of the company, even when it is clear that they must step aside and let more competent and capable executives outside the ownership group assume these roles” (Adizes, 2004).

Another danger of having a strong founder is that they may leave an organisation vulnerable should they retire or disassociate themselves from it in any way, particularly “if the moral discourse he or she embodies has not been institutionalised in processes within the firm” (Hargreaves, 2003: 4). To some extent, this was an unfinished process within Artspace, evidenced by the fact that many beneficiaries and staff believed that the organisation would either struggle or cease to exist without Susan’s continued influence. However, in recent years, Susan had become increasingly proactive in passing on some of her knowledge, both to other staff within the organisation, and also into the public realm.

#### 5.4.3: Changes to Organisational Procedure

A change in organisational procedure was considered necessary within Artspace for several reasons. As with the decision to adopt social enterprise activity, these reasons were both strategic in nature, and as a particular response to institutional demands and pressures. Changes to organisational procedure fell into two categories: changes to the ‘backstage’ environment, and changes to the way Artspace worked with its beneficiaries.

##### 5.4.3.1: Backstage Changes

Artspace made a number of changes to its ‘backstage’ environment, believing in the importance of good practice and in improving its documentation and procedures. Many changes in this area, for example, the implementation of procedures to safeguard vulnerable adults, and the need for those preparing food to undertake a food hygiene course, were deemed necessary by law. Other changes, whilst not essential, were

believed by staff to potentially improve relations with funders and other stakeholders, and benefit the organisation internally.

A focus on accountability will often result in positive outcomes for third sector organisations, helping them to guard against risk, ensure efficient internal operations, limit uncertainty, and benefit a wider range of people (Fyfe and Milligan, 2003; Kramer, 1990). As an organisation expands, it becomes both visible and accountable to a wider range of individuals and organisations, further increasing incentives for it to ensure that it is portrayed as being both legitimate and proper (Goodstein, 1994).

### *Benefits to Legitimacy*

Artspace staff believed that the adoption of professional procedures, such as regular staff training events and staff supervision meetings with a line manager, would convince stakeholders that the organisation was capable of delivering high-quality work in an effective, yet personalised, manner. This, they believed, would help Artspace successfully bid for new sources of funding.

“...you need people who are professionally trained to work with the other organisations, to have business talks with other organisations, so that they know that if they’re sending people here, that they’re going to be professionally looked after, so if you’re getting referrals from the doctors, they’re not going to necessarily refer people if they don’t appreciate the professional standing that people have here...” (Interview with Rebecca (core staff), 04/03/11)

“...we need to get clear quickly about what we’re doing, ensure that our policies, procedures and programmes are robust and in place, and, while for want of a better way of putting it, professionalising, while still maintaining that warmth of working and ethos of access and safety and welcome that defines our practice. There is a tension, there, if you do it wrong, of appearing bureaucratic, and that’s absolutely not what we’re trying to do. It’s really about positioning ourselves so that we can look at as many funding sources and key partnerships as possible to be able to offer just what people need in the way that they need it” (Interview with Lauren (core staff), 22/07/10)

Artspace staff believed that the adoption of a quality assurance scheme would further improve organisational legitimacy, particularly in the eyes of statutory stakeholders. The PQASSO (Practical Quality Assurance System for Small Organisations) was considered by Artspace’s manager to be most relevant to the organisation. Although staff believed that Artspace had achieved most of the outcomes identified in the scheme’s toolkit, they also believed that obtaining such a quality mark, which would cost the organisation around £2,000, would help it improve still further. PQASSO, in this instance, would promote ‘good practice’ within the organisation and

provide evidence to external stakeholders of its professional and well-run nature. An organisation may choose to adopt such marks of ‘professionalism’, not because it feels compelled to, but so it can present itself as “up-to-date and modern to its external controlling environment by the mimicry of the practices of private sector businesses” (Helmig et al, 2004: 105). However, in the 2010-13 business plan, Artspace staff also acknowledged that having a quality assurance scheme in place was essential should it ever have to tender for statutory contracts, which was seen as being highly probable in future.

### *Too Well Run?*

Although being professional and well-run generally had a positive impact on Artspace’s ability to obtain resources and legitimacy, it also, conversely, had the opposite effect on occasion. For example, despite receiving the highest score<sup>33</sup> out of all applicants to the District Council’s Community Grants Scheme in December 2010, Artspace was refused funding, partly because it held more than the recommended 4 to 6 months of reserves recommended by the charity commission. Despite support from some counsellors, it was argued that other organisations would benefit more from this money given their smaller levels of reserves. In this instance, Artspace was penalised for being too ‘well run’.

[A councillor] mentioned that having some kind of reserves was useful to enable people to be paid off and debts to be settled if the organisation did collapse. He mentioned that a number of other organisations were closer to ‘financial abyss’, yet questioned whether organisations with a good track record should be ignored in place of the ones almost out of money. The finance specialist also stepped in and mentioned that no organisations should be punished for being financially sound...However, one of the counsellors argued that other organisations were in need of the money to a greater extent. This was proposed and seconded, and the result of the vote was that Artspace would not get any money (Excerpt from field diary, 21/12/10).

This was not an isolated issue. In 2012, the organisation applied for £6000 from the District Council Localism Scheme. While Artspace was successful in this instance, one of the counsellors again argued that the organisation’s reserves, both monetary and physical, counted against it, and even suggested that it sell its premises if it needed money. Such views were not only held by statutory funders. When applying for funding from Lloyds TSB in late 2010, Artspace was advised by Lloyds that it

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<sup>33</sup> The criteria were based on a number of factors, including the organisation’s need in the community, its ability to benefit a wide range of people, and its financial management. Artspace received 64 out of a possible total of 68 points.

would not fund organisations with 12 or more months of reserves. As the accounts from 2009 showed that Artspace had 12 months of reserves, and was thus ineligible for funding, the finance officer had to complete the accounts for 2010 early. This showed the organisation in a much more favourable light, given an increase in spending and a decrease in secured income over this period. Although Artspace successfully obtained the money on this occasion, this was still evidence that many funding programmes require organisations to be in a difficult financial position to be eligible.

### *Increased Bureaucracy*

Staff believed that in some instances, organisational restructuring could result in unnecessary bureaucracy and expense. For example, it was proposed during one staff meeting that people should make a note of the post which was received, and who opened it, an idea that was considered by one member of staff to be both ‘silly’ and unnecessary. Another member of staff criticised proposals to place more information, such as how to handle hazardous liquids, in the induction booklet for new volunteers or staff members, believing that this would overcomplicate things and make the booklet too bulky. Staff members admitted that they often spent considerable time working in the office, often as a result of this day to day bureaucracy, the result being that they often did not have enough time to have face to face conversations with service users.

There was also a debate as to whether Artspace should adopt contents insurance. While this was recommended on the PQASSO checklist, one member of staff argued that, according to the Charity Commission guidelines, there was no requirement for organisations of Artspace’s size to implement this. The staff member in question argued that Artspace had managed in the past without such insurance, believing that security in the new building had been much improved. They wrote a letter highlighting this issue to the board of trustees, questioning whether contents insurance was the most efficient use of scarce resources.

### 5.4.3.2: Changes to Service Delivery

Organisational restructuring also impacted, both positively and negatively, on the way that Artspace worked with its beneficiaries. One benefit of professionalism was that the implementation of routine practices of monitoring enabled practitioners to respond more effectively to individual need. In addition, staff believed that having

professionally-run creative activities resulted in a more fulfilling artistic experience, with beneficiaries being guaranteed high-quality and varied provision.



*Figure 5.2: Artwork produced between Artspace and the local Primary School for a local scarecrow festival*

Staff members believed that the professional nature of the engagement between practitioners and service users was partly responsible for service user artwork achieving a number of awards in recent years. Artwork produced by the men’s group for the 200<sup>th</sup> anniversary of Charles Darwin’s birth in 2009 won the ‘best exhibition’ category in a Yorkshire museum. In 2011, Artspace worked in conjunction with the local primary school to produce a piece of art for a local competition with the theme ‘Kings and Queens’. This artwork, shown in *figure 5.2*, achieved first place in its category.

#### *Increased Emphasis on Progression*

On the other hand, formalisation of practice had a potential negative impact upon Artspace’s ethos, posing a threat to its ability to offer time-unlimited support to service users. For example, possibly as a result of external discourses concerning the virtues of employment, social inclusion, and personal responsibility, service users were increasingly asked what they wanted to achieve with reference to a distinct ‘end point’. In previous years, less emphasis had been placed on progression and the achievement of specific outcomes; however, as Artspace expanded and became increasingly



professionalised, it started to focus on how service users could progress into other activities in the community.

Several of the core staff and practitioners believed that in the past, Artspace had ‘cushioned’ users to some extent, with the argument being that some people almost expected to be able to use the organisation indefinitely. Staff spoke of the need to change this ‘culture’ within Artspace, arguing that service users needed to recognise that other opportunities for participation existed within the community. It was felt that this would become more of an issue as the organisation expanded to meet the needs of a greater number of people, thereby leading to potential issues with capacity.

“...the challenge now is to work with them [service users] to change their expectations about us and what we offer and so that everybody coming here has that notion that coming here, enjoying, benefiting from it, but it’s part of a pathway, it’s a part of a journey, its going to be moving on eventually...” (Interview with Yvonne (core staff), 21/07/10)

One staff member argued that the purpose of Artspace was not solely about providing a space for people to have a ‘cuppa and a natter’, believing that they could instead ‘meet and have a cup of tea in a café somewhere’. Although a focus on progression could potentially improve Artspace’s legitimacy in the eyes of statutory stakeholders and the general public, it could also potentially threaten the ‘post-secular’ elements of its ethos, based around the provision of time-unlimited and unconditional support (Coles, 1997).

### *Formalisation of Sessions*

Another potential threat to the informal nature of the sessions came about through proposed moves to formalise the ‘reflective practice’ that occurred after sessions. On two separate occasions, core staff members suggested to practitioners that they finish the session promptly to allow time for reflective practice. However, practitioners stated that they were reluctant to ask people to promptly leave whilst they were still benefiting from the Artspace atmosphere. Service users often remained behind at the end of the sessions to continue their artwork, enjoy a hot drink, and converse with other attendees.

Nevertheless, having more rigidly defined sessions had began occurring more frequently within the building, partly because of a formalisation of practitioners’ roles, and partly because, as previously mentioned, Artspace had sought to maximise the use

of its space, raising additional income through room hire. However, booking classes close together resulted in a number of tensions emerging between service users and core staff. For example, one group, which had always exceeded its allocated time by fifteen minutes, reacted badly to a request from a member of staff to finish on time on one occasion. This resulted in the staff member in question backing down and rearranging the following class so as not to cause upset.

#### 5.4.3.3: Case Study: the Artspace ‘Sleeves Up’ Group

The Artspace ‘Sleeves Up’ users group illustrated how Artspace’s ethos had been affected by formalisation and professionalisation from both a backstage and frontline perspective. Sleeves Up was formed by members of the local community who wanted to run their own activities and use the Artspace building in ways that they saw fit. Its purpose was to bring more people into the building, encourage integration between people of various ages, improve the wellbeing of its members, and offer additional activities. In a sense, the group sought to recreate the informal, community-focussed nature of the old Artspace. It was hoped that its members would facilitate new activities on a voluntary basis, without having to go through the ‘big periods of consultation’ which, it was argued by some staff members, could potentially stifle spontaneity.

The first meeting was held in October 2011, with its members being enthusiastic about getting the scheme off the ground quickly. One of the regular sessions the group chose to run was ‘Friday nights at Duke Street’, which occurred twice a month in the evenings, and alternated between games sessions and talks. However, as the group began looking to run new activities, tensions between Sleeves Up and Artspace’s management quickly emerged. For example, Sleeves Up wanted to run activities such as Indian head massage, which staff believed were too similar in nature to the ‘wellbeing activities’ that Artspace already offered through formal channels. Staff also believed that there could be an issue around insurance and responsibility if these classes were advertised externally, and it was felt that the group may be seen to compete with private businesses offering similar activities in the town. There was also the fear that people attending Sleeves Up run wellbeing activities could think that the activities were being run formally by Artspace, and would therefore have certain, professional expectations of the service.

Artspace staff believed that there had been poor communication between Artspace and Sleeves Up, and a member of the core staff team attended a Sleeves Up meeting to attempt to clear up any confusion. However, the dynamics of the group changed when the staff member in question discussed the need for accountability. One of the group's more prominent members resigned during the meeting, partly because of this desire to formalise the group. She had become involved in Sleeves Up both to help Artspace and to meet her own needs, yet believed that her role in Sleeves Up was changing into a position of responsibility, whereby she was increasingly seen as being answerable to the group. As a result of this meeting, the group lost energy and never recovered.

To a certain extent, the nature of Artspace today had meant that this outcome was inevitable. Staff acknowledged that the organisation was required to manage a range of different expectations and needs, some of which had been embedded within people's experiences of Artspace in its early existence, which the Sleeves Up group, to some extent, had attempted to bring back. However, this was considered problematic, given Artspace's professional nature.

“I think it was partly that an attempt to revive old Artspace ways of everybody being involved in informal, creative activities that they were enthusiastic about foundered when up against current requirements. For clarity, goals, anxiety about insurance, duplication of provision, timetables, accountability, minutes etc. They wanted labels, titles. It wasn't clear how autonomous we were = not very. (Email conversation with Sam (service user and member of 'Sleeves Up'), 04/02/13)

The Sleeves Up group had therefore compromised the professional approach which Artspace had chosen to adopt, as it wanted to run activities without the 'clutter' of risk assessments and other bureaucratic demands. While on the one hand, Sleeves Up wanted its own elbow room to meet needs as it saw fit without reference to Artspace, on the other, staff gained the impression that Sleeves Up considered itself to be an Artspace group, and believed that certain levels of accountability were therefore necessary.

Artspace staff wanted groups like 'Sleeves Up' to exist, yet in retrospect, they believed that expectations should have been outlined right from the start. Staff believed that it was entirely possible for Artspace to have both 'grassroots' and 'professional' aspects; however, the challenge was about managing the dynamics between them. In addition, staff believed that a return to the Artspace of the past was impossible given how the organisation had evolved and grown throughout its history. This had been

compounded by the hierarchy (in a literal as well as in a figurative sense) that had developed between service users and staff.

Despite the failures of the Sleeves Up group, and the recognition that in some ways, Artspace may never return to how it was in the past, staff did not give up the hope that one aspect of the organisation could be informal and participant-led. As part of the organisation's emerging vision, Artspace was seen as potentially nurturing different 'arms' of the organisation, maintaining the values that the organisation had originally been based on, whilst allowing it to continue expanding and working with different people in different ways. Artspace envisaged the creation of a 'community hub', run and managed by community members in the way that suited their needs; much like the *Pioneer Health Centre* or Artspace in its early years. The community hub would hire space from Artspace, the 'parent' organisation, yet remain informal and flexible, being run both by and for the community.

### **5.5: Change and Internal Tensions**

While Artspace's decision to adopt strategies of change helped it respond effectively to external challenges, these processes also resulted in tensions and disagreements emerging between those staff members on the grassroots side of the organisation and those who believed it should continue to professionalise. In addition, it was clear that many staff and beneficiaries believed that in some ways, certain aspects of the old Artspace, such as its informal and largely voluntary-based nature, had been eroded in recent years, evidenced by the failure of the 'Sleeves Up' group.

Organisational change can be interpreted differently by various groups or individuals within an organisation, who have "multiple insider interpretations of a changes experience" (DiBella, 1996: 369), depending on their history, worldview, and culture. Third sector organisations should be viewed as several organisations in one, comprising a variety of standards, motivations, and practices (Anheier, 2000). Organisations, whether large or small, are often comprised of a number of 'subcultures' (Parsons and Broadbridge, 2004), each with its own wants, needs and expectations (Anheier, 2000). Research has found that those at the top of an organisation, who generally precipitate change, hold a different perspective to those working on its 'front line' (de Zilwa, 2007). Any attempts to institute change should therefore involve sensitivity to, and an awareness of, the various perspectives of an organisation's culture (Parsons and Broadbridge, 2004).

However, organisational change has been widely documented to have a negative impact on employee morale, which may stem from the fact that change often doesn't account for "the specific competencies and accumulated knowledges built up through constancy of practices of those working on the frontline" (Parsons and Broadbridge, 2004: 240). Tensions between a desire to maintain a 'grassroots' way of working on one hand, while becoming increasingly commercially orientated and professionalised on the other, may impede the decision making process within organisations, and lead to an expenditure of valuable resources (Chew, 2010). However, it has been suggested that resistance to change may sometimes stem from a fear of the unknown, and a desire to maintain the status quo (de Zilwa, 2007; McKinney and Kahn, 2004).

With regards to arts and health organisations specifically, White (2009; 2010) states that organisations commonly experience tensions between frontline engagement and 'back room' strategic direction, which, he believes, is partly related to pressure on the field to professionalise. Dileo and Bradt (2009) believe that arts and health should be more carefully defined, and should be established as a specific, separate discipline. While this may improve the visibility, and therefore, legitimacy, of the field, White (2010) also argues against the formal professionalisation of arts and health, believing that the field is still 'pioneering', and thus finding its place to some extent.

Within Artspace, organisation change resulted in a number of tensions and disagreements between members of staff. One of the practitioners admitted that she felt more disconnected from the rest of the team as a result of Artspace's increasingly professional focus. Several core members of staff stated that they felt uncomfortable engaging in dialogue with those in favour of increased formalisation. The 'modernisers' had argued that greater clarity and a focus on evidence-based practice was necessary for organisational survival and the maintenance of legitimacy.

Despite these minor disagreements, staff from both perspectives acknowledged that there was no reason why both elements could not work together. Those who believed in the ideals of professionalism and management recognised that a non-negotiable aspect of Artspace's ethos was its informal, person-centred nature. Likewise, those who considered themselves as part of the 'grassroots' admitted that Artspace had benefited considerably from organisational restructuring and modernisation. The ability to discuss tensions in such a constructive manner is evidence of a healthy organisation (McKinney and Kahn, 2004).

“...the organisational review opinion was that we needed to be as professional as we possibly can, in that kind of corporate way, to be able to get the contracts, etc, which is probably true, and we’re beginning to get money coming in, so something’s working...” (Interview with Susan (core staff), 23/08/11)

## **5.6: Strategies for Managing Change**

Although organisational change within Artspace was neither a smooth nor uncontested process, I would however argue that Artspace successfully managed this process in an effective manner, putting in place structures and procedures that allowed it to continue to raise income and maintain legitimacy with stakeholders, while at the same time, largely maintain its unique and person-centred ethos. Although there were occasions where the organisation could not work exactly in the way that it ideally wanted to, several members of staff argued that it was better that the organisation survived and acquiesced somewhat to external demands, than cease to exist at all. They believed that even if it couldn’t work in the way it desired, it could still provide considerable benefits to individuals and the community.

While there were some elements of organisational change which could not be avoided, Artspace was also able to control for others, thereby limiting the isomorphic effects of institutional pressures. For example, tailoring the language and terminology was one way that Artspace could manage a variety of demands, while at the same time, prevent it from alienating any particular stakeholders<sup>34</sup>.

“...what we do need to do is recognise the different languages of our various funders and stakeholders and understand those languages, and talk in a way that’s relevant to whichever audience we’re trying to connect with...” (Interview with Lauren (core staff), 24/03/11)

As mentioned previously, one of the challenges that third sector organisations face is obtaining enough income to sustain their activities. However, many sources of income, such as that obtained from governments or independent foundations, have decreased in availability, and often come with particular restrictions or caveats that a successful organisation must adhere to. To maximise the chances of obtaining particular funding, Artspace staff emphasised particular aspects of the organisation depending on the situation (McKinney and Kahn, 2004).

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<sup>34</sup> This strategy has been utilised by other third sector organisations. For example, while one charity utilised the term ‘beneficiaries’ in legal documents, it referred to its attendees as ‘young people’ so as not to alienate them (Charity Commission, 2009).

For example, when applying for funding to run an anti-stigma project based around mental health, Artspace stressed the work it had already done in this area, emphasising its current and previous collaborations with partner organisations such as NHS trusts. An application form for rural development income required organisations to discuss how their projects could contribute to ‘environmental good practice’. In this application, Artspace emphasised the ‘green’ aspects of the organisation. However, in both these instances, staff did not lie or pretend that the organisation was something it was not.

Artspace was successfully able to negotiate or bypass some of the restrictions in funding, again using impression management to adapt and respond to external demands (Albert and Whetten, 1985). As will be discussed in the following chapter, it was able to negotiate the terms of the evaluation that it was required to undertake with one of its major funders. Artspace also occasionally used strategies of resistance when managing tensions with any stakeholders. In the past, the organisation had allowed people from a neighbouring county to attend social services’ funded classes, despite the fact they were not eligible.

In some cases, Artspace proactively changed aspects of the organisation based on identified future developments, such as the implementation of personalised budgets. The personalisation<sup>35</sup> approach will mean that instead of social services choosing to fund specific services, those service users in receipt of benefits would in future be allocated a specific amount of money with which they would directly pay for social or educational activities. In March 2011, the finance officer calculated the full cost of each of the sessions within the building, taking into account utility bills, staff wages, and building maintenance. This process, which was one of the outcomes of the organisational review, enabled Artspace to calculate the exact cost of running the various sessions, thereby allowing it to place a realistic price on how much an activity would cost for a service user. Even though personalised budgets at the time had not been implemented, Artspace staff believed it was important that the organisation was in the best possible position to manage future changes. This was despite staff

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<sup>35</sup> Proponents of personalised budgets believe that it provides service users with choice and control, leading to an increased uptake of community support (Duffy et al, 2010). Critics argue that it results in a market-based relationship between individuals, the state, and the providers of services, which may be at odds with the notion of ‘care’. In common with other aspects of ‘neoliberal’ thinking, personalisation automatically assumes that service users desire the responsibility of managing their own care needs (Duffy et al, 2010).

frequently expressing frustration that the NHS and social services were in such a ‘muddle’, preventing Artspace from having any degree of certainty about the future.

## **5.7: Discussion**

While, according to institutional isomorphism, the structures and procedures of an organisation are shaped by dominant discourses (DiMaggio and Powell, 1983), resource dependency theory states that organisations do not unquestionably acquiesce to external constraints, but draw upon various strategies in an attempt to “alter the situation confronting the organization to make compliance less necessary” (Pfeffer, 1982: 197). While organisations may successfully respond to the challenges of the institutional landscape through compliance and adaptation, they are also capable of working with these demands strategically.

### **5.7.1 Conforming to Institutional Pressures**

Institutional theory can explain various aspects of an organisation’s growth, development, and response to external demands throughout its history. This theory states that ‘nonchoice’ behaviours can persist within an organisation, either through convenience or obligation, even where there is a lack of evidence to suggest that such behaviours serve its interests or help it to maintain efficiency and control (Oliver, 1991). A number of decisions were adopted by Artspace as a result of external pressures and influences, despite limited benefits to its practice.

For example, Artspace had increasingly adopted statutory terminology, resulting in people developing unrealistic expectations of the service. As will be discussed in later chapters, it had the added effect of also contributing to its stigmatised perception amongst certain members of the local community. In this instance, the adoption of statutory terminology appeared to be an example of acquiescence through ‘habit’ (Oliver, 1991), with staff at the time not recognising the potential negative impact upon the organisation.

Another aspect of institutional theory is the recognition that societal pressures and expectations, in the form of “myths, meanings and values” (Oliver, 1991: 151) can determine organisational development. This may explain why several staff members highlighted the necessity of progression and recovery for Artspace beneficiaries, thereby mirroring current statutory discourse. Although the organisation was not



coerced into adopting such discourses, it is likely that it chose to adopt them based on their widespread acceptance in society.

In some ways, the concept of ‘institutional isomorphism’ shares a number of characteristics with Foucauldian Governmentality. While there is nothing preventing organisations from choosing to operate in their own, unique way, at the same time, working in ‘taken for granted’ ways will usually result in greater organisational legitimacy. Organisations will therefore, more often than not, align themselves with dominant discourses (Miller and Rose, 2008; Morison, 2000), as it is the legitimacy that comes with such practices that provides them with access to funding and other opportunities (Suchman, 1995). Given today’s emphasis on self-reliance and efficiency, organisations that choose to engage with social enterprise activity, that operate according to business principles, and that encourage service user progression, would be considered by the state to have high levels of moral legitimacy (Dart, 2004b).

#### 5.7.2: Evidence of Active Agency

On the other hand, the concept of institutional isomorphism cannot adequately account for Artspace’s response to changing circumstances, given the numerous examples of how staff used active agency to emphasise, promote, and negotiate the organisation’s self interests with stakeholders (Powell, 1985), thereby resisting the institutional environment. Organisations need not comply with external demands, but can negotiate successfully with funders, emphasising the benefits of their way of working. Organisations can also actively manage external challenges by reducing their dependency on particular stakeholders (Froelich, 1999). For example, Artspace sought to diversify its sources of income for strategic purposes, both through the implementation of user fees, and also through the adoption of wider social enterprise activity.

Although this chapter has argued that organisational change, whether imposed from outside, or implemented internally by an organisation in a conscious decision to improve working practices, will almost certainly influence how organisations work with beneficiaries or service users, it has also shown that organisations can work with external demands in a way that allows them to largely maintain their original ethos and values while satisfying any stakeholders (Alexander, 1996). An organisation may choose to adopt strategies such as compromise, avoidance, or manipulation on those occasions where external demands conflict with its goals (Oliver, 1991). The use of

‘impression management’ can allow an organisation to operate in a manner that preserves its ‘formal’ structure, whereas its actual day to day practices may be somewhat more flexible or strategic in nature (Goffman, 1959; Meyer and Rowan, 1977). This strategy, where organisations show compliance to an external audience while maintaining autonomy, is known as ‘decoupling’ (Arvidson and Lyon, 2013).

At the same time, organisations may choose to conform with institutional pressures, even when the possibility is open to them to manage these pressures through strategies of compromise, avoidance, manipulation, or even active defiance (Oliver, 1991). If an organisation believes that conformity can result in increased legitimacy, access to funding, or any other benefits, or if it does not directly compete with any organisational goals, then it may choose to comply with external demands (Goodstein, 1994; Oliver, 1991; Tracey, 2012a).

While at first glance, it appeared that Artspace was compelled to adopt particular procedures or change the way it operated because of institutional pressures, on closer examination, the decision to do so was strategic in nature, and was evidence of active agency. Artspace staff therefore made such changes because they believed that they would better serve the organisation’s needs in the long term (Covaleski and Dirsmith, 1988). The decision to either conform to or resist institutional pressures is not simply related to the strength of these pressures, or to the power of the stakeholder in question, but is a strategic choice, based upon whether an organisation believes that responsiveness will result in a positive outcome from its perspective (Goodstein, 1994).

## **5.8: Conclusion**

While the concept of institutional isomorphism states that organisations will acquiesce to external demands as a result of wider pressures, it doesn’t account for the fact that that acquiescence may be strategic in nature, with organisations choosing to implement changes even when there is no requirement for them to do so. Organisational restructuring can therefore have considerable internal benefits to third sector organisations, and should not only be seen as something that they are compelled to adopt to maintain legitimacy or access to funding.

For example, within Artspace, the act of separating creative direction from management was not primarily driven by a desire to maximise legitimacy with external stakeholders, but to improve efficiency and working practice. Likewise, the decision to calculate the cost of running each session was evidence that Artspace had attempted to

place itself in the best possible position to manage any future changes, which, in this instance, concerned the proposed implementation of personalised budgets.

While Artspace did acquiesce to external demands in some instances, it also drew upon strategies that were more ‘active’ in nature, particularly when it believed that certain aspects of its ethos or values could be adversely affected. Despite undergoing extensive restructuring and professionalisation, Artspace was able to successfully maintain a homely and accessible environment for participants to come and ‘be themselves’. Nevertheless, the failure of the ‘Sleeves Up’ group, which sought to bring back the informal and community-focussed nature of the early Artspace, was evidence that it may be difficult for organisations to completely avoid changes to their ethos and values as they grow, evolve, and restructure. In Artspace’s case, moves towards professionalism and greater accountability could not easily co-exist with the ‘informal’ and ‘spontaneous’ elements associated with the organisation of the past.

## **Chapter 6: Managing Evaluation**

### **6.1: Introduction**

In recent years, the nature of statutory funding has changed, moving from a grants-based system, towards one in which third sector organisations are contracted to provide a specific service. As a result of this shift in policy, organisations are finding themselves increasingly subject to a variety of accountability demands (Taylor and Warburton, 2003). Many organisations are under pressure to provide persuasive evidence that they tangibly benefit the communities that they serve (Bridge et al, 2009; Buckingham, 2009; Staricoff, 2006). There has also been an increased emphasis on good practice, concerned with conforming to audit requirements, standards and guidelines (Morison, 2000; Taylor and Warburton, 2003).

This approach has been justified on the grounds that it can assist with the provision of high quality services (Bridge et al, 2009), and can strengthen the legitimacy of arts and health and third sector practices. Nevertheless, critics have argued that quantified monitoring and best practice are particular techniques utilised by the government to exercise control over civil society (Larner and Butler, 2005). Organisations that feel compelled to operate based on a certain, standardised way may not engage effectively with local communities (Ilcan and Basok, 2004) thereby undermining collaboration and trust, and stifling innovative practices (Milbourne, 2009). This chapter examines the strategies available to arts and health organisations, and indeed, third sector organisations as a whole, which must balance their ethos and values with stakeholder demands for quantified monitoring and evaluation.

### **6.2: The Issue of Evaluation**

While many third sector organisations, including some social enterprises, may display hostility towards corporate goals and ambitions, they often experience isomorphic pressures when working closely with the state (Pharoah, 2007). Organisations in receipt of public funding are increasingly compelled to provide evidence of their performance based upon objectively measured indicators of change (Westall, 2009). Arts and health organisations, or even third sector organisations as a whole, are not alone in experiencing increased expectations from funders to implement quantified monitoring systems (Staricoff, 2006).

Contemporary trends in governance have been located in a Foucauldian framework of disciplinary governmentality. Power is exercised in the management of driving visions and concepts on the one hand, and in the monitoring of outputs on the other (Miller and Rose, 2008). Having such a tight definition of indicators to measure and evaluate impact is more than a simple and straightforward technique utilised by the state. Instead, this requirement for indicators shapes, rather than reflects, the way that the key policy process is conceived. Of particular importance is the potential of the individual for developing one's own identity and wellbeing, the dominant ideological position concerning the centrality of the autonomous individual, and the responsibility bestowed upon individuals and organisations for ensuring appropriate decisions are made (Atkinson and Joyce, 2011; Henderson, 2005; Miller and Rose, 2008). An individual is held responsible for making lifestyle choices that maximise his or her wellbeing (Sointu, 2005), while an organisation must ensure it is both well run and financially sustainable (Hudson, 2009).

The use of quantified indicators for the purposes of monitoring and evaluation is prevalent in almost all areas of public life. Some commentators have argued that a shift towards evidence-based practice has occurred not only because of the state's desire to ensure its money was spent effectively, but as a way of controlling and managing a group of people who may be classified as 'deviant' (Mitchell, 1999; Parr, 2000). While the surveillance and management of a 'deviant' population is often associated with closed institutions such as psychiatric hospitals, technologies of discipline "do not necessarily depend on confinement or even spatial segregation" (Driver, 1994: 128), and can occur even within mainstream society (Curtis, 2004). Even participation in art itself can be linked with governance and control, with one commentator arguing that it has been increasingly used to manage people's emotional lives and placate certain groups of people (Mirza, 2006).

Arts and health organisations face particular challenges in meeting demands for quantifiable evidence. Health commissioners often prefer measurable data to richer data obtained using qualitative methodologies such as ethnographies (Lawthom et al, 2007). However, it has been questioned whether this approach is suitable for arts and health projects at all, owing to the fundamental differences between medical and arts perspectives (Angus, 2002; Baum, 2001; Dooris, 2005). The former approach seeks to compartmentalise and order knowledge, whereas the latter is fluid and incoherent, and seeks to explore relations in an infinite number of ways (Smith, 2003). As a result,

there have been concerns that standardised outcome measures may be incompatible with the ethos and values of many arts projects (Hacking et al, 2006).

Arts practitioners acknowledge that evaluation is necessary to demonstrate the benefits of their projects (White and Angus, 2003), with the majority of projects seeking to demonstrate their effectiveness (Angus, 2002; Hacking et al, 2006; HDA, 2000). A 2002 survey found that 54 out of 64 community arts in health organisations evaluated their work to some extent (Angus, 2002), while Hacking et al (2006) found that out of 99 respondents, 59% regularly assessed what they did. Only eight of 99 projects in Hacking and colleagues' study did not conduct any form of evaluation.

However, much of this evaluation was based around subjective interpretations or anecdotal evidence (Matarasso, 1997), being basic in nature, poorly structured, or providing limited information (Angus, 2002). Many projects 'reinvented the wheel' by designing their own questions which could be captured using existing monitoring tools (Hacking et al, 2006; Secker et al, 2007). In addition, very few projects conducted controlled, quantitative trials (Burton, 2009). Only two out of 99 projects in a survey stated that they evaluated their work using a standardised outcome measure at more than one point in time (Hacking et al, 2006). Even those projects which monitored beneficiaries on a longitudinal basis did not compare their progress with a control group, and it could therefore be argued that any changes to wellbeing occurred through other factors (Argyle and Bolton, 2005; Secker et al, 2007). In addition, much evaluation appears to be an 'afterthought', with evaluation of outcomes often not comprising part of project budgets and future planning (Secker et al, 2007).

Nevertheless, the implementation of more 'scientific' forms of evaluation may have its own, logistical concerns. For instance, the use of randomised control trials can have both ethical and practical difficulties (Jermyn, 2001; MBC Sefton, 2009; Thomson et al, 2004). To mitigate against such challenges, longitudinal studies may be necessary to track the impact of arts projects over time (Macnaughton et al, 2005). However, in these instances, measuring progress may take months or even years, making evaluation difficult for short-term projects, or for those with limited resources (Angus, 2002). In addition, service users may come from different backgrounds, or be at different stages of recovery (Jermyn, 2004). Obtaining measurable data may also be a challenge for projects with few attendees (Charity Commission, 2009; Staricoff, 2006) or in situations where there is a high turnover of beneficiaries (Jermyn, 2001).

While it may be possible to measure improvements to subjective wellbeing at an individual level through the use of questionnaires, it is considerably harder to measure such changes at a community level (Putland, 2008). It is unclear whether benefits obtained in one domain flow across to the other. Strategies that improve the health of the wider community may have little or no effect at the level of the individual, and vice versa (Putland, 2008).

While some studies have shown evidence of clinical outcomes being achieved through the intervention of the arts (Knight and Rickard, 2001; Staricoff, 2004), the large number of variables present within a typical arts and health project, which include the practitioners' relationship with participants, the space in which the activity occurs, and the characteristics of the clientele, may mean that conducting a scientifically valid study into the efficacy of the creative process is difficult, if not impossible, for many projects (Clift et al, 2009). Projects may focus on a variety of art forms, or define creativity in different ways. Health may be conceptualised and promoted differently by each organisation, often being dependent on how they are funded (White, 2009). Some projects may adopt a preventative approach, for example, through a focus on healthy living, whereas others may take an approach based more upon treatment and rehabilitation (Clift et al, 2009). The link between participation in the arts, improved wellbeing and social capital is often inconclusive; this is partly because a focus on outcomes means that less emphasis is placed on examining the actual processes involved (Daykin, 2007).

In addition, there has been criticism of the objectivity of the monitoring tools themselves. While surveys of individuals, typically based on a Likert scale, are often used to produce so-called objective measures of progress or the effectiveness of an intervention, such data is not truly objective, as it is based on the subjective beliefs of those surveyed (Kanter and Brinkerhoff, 1981).

Even discounting these largely technical concerns, three main challenges exist in measuring the impact of the arts, which relate to the lack of clarity as to what outcomes are intended.

*1) The multi-stakeholder nature of many arts and health organisations*

An organisation's 'efficiency' or 'effectiveness' is not based on any objective criteria, but is largely determined by those seeking evaluation in the first instance (Kanter and Brinkerhoff, 1981). Many arts and health

organisations have a large number of stakeholders (Angus, 2002). As such, evaluative information designed to satisfy one stakeholder, for instance, an arts funder, may not satisfy a funder from a medical or statutory background, who may demand that evaluation is based on different or more stringent criteria. Unilateral conformity to all stakeholders can be difficult, if not impossible, given that satisfying one stakeholder often requires an organisation to pay less attention to the demands of another (Milofsky and Blades, 1991; Nevile, 2010; Pfeffer and Salancik, 1978).

In addition, given the time and resource requirements associated with conducting evaluation and providing evidence of outcomes to multiple stakeholders, many practitioners and researchers in the arts and health field have argued that there must be greater clarity from those seeking evidence as to what kind of evidence would be acceptable or satisfactory (Jermyn, 2001), and how this evidence would be used (White and Angus, 2003).

2) *The indirect nature of the benefits of arts and health organisations*

Arts and health projects often do not focus explicitly on improving health directly, instead focussing on aspects of health promotion and disease prevention by improving ‘distance travelled’ dimensions such as self-esteem, confidence, social capital, and subjective wellbeing (Angus, 2002; Arts Council, 2007; Secker et al, 2007). Many of these concepts, by their very nature, are highly contested in both their meanings and their definitions, in contrast to specific, self-evident health measures.

3) *The community focus of community arts and health organisations*

The scale at which concepts such as self-esteem and subjective wellbeing operate at is also contested. Monitoring and evaluation typically focus on measures of health and wellbeing at an individual level. Arts and health organisations, however, often explicitly seek to intervene at the community level. A focus on individual outcomes undermines the understanding of social wellbeing as primarily a relational rather than an individual attribute.

An emphasis on economic or managerial definitions of performance is considered unsuitable for organisations with a primarily social focus, as the



holistic benefits risk being overlooked (Jermyn, 2001). Evaluation may reduce the meaning of art to a means by which particular targets can be met (Putland, 2008). As a result, artists and experienced practitioners are often highly sceptical about the process of evaluation, believing it to be constraining in nature (Smith, 2003).

### **6.3: Artspace and Evaluation**

Despite expanding its income generating activity, Artspace remained largely dependent on income from grants and contracts, much of which was either limited or short-term in nature. The organisation received funding from a large number of sources, including the local authority, charitable trusts, and the Big Lottery. While some of this income was given to Artspace to pay staff salaries, other income was given for the provision of certain services to the community, with the expectation that specific goals were achieved.

In common with many third sector organisations, Artspace was required to provide evidence to funders that outcomes were being met and that funding was being spent effectively. The Big Lottery<sup>36</sup> monitored Artspace on a quarterly basis through a number of specific outcomes measures negotiated with the organisation at the time of the funding bid. Social services was a second significant stakeholder, with Artspace being funded to provide the equivalent to a day service for people with ‘severe and enduring’ mental health difficulties. Previous statutory evaluation requirements were minimal, and were largely limited to monthly returns on the numbers of people attending the sessions paid for by social services. This, however, had changed, with Artspace having to report back on individual attendance rather than the total number of people attending a particular session. Staff believed that this would further shift in the near future, with the organisation being expected to report back on individual outcomes and service user progression as part of its contract<sup>37</sup>. Artspace will also be affected by reforms in the United Kingdom towards commissioning by GPs which will

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<sup>36</sup> Artspace, as one of 27 healthy living centres across the region, was monitored by a resource consultancy on behalf of the Big Lottery.

<sup>37</sup> Performance measurement considers it necessary to distinguish ‘outputs’ from ‘outcomes’. Outputs are what an organisation provides – for example, it may be funded to deliver activities to sixty beneficiaries as part of a contractual agreement. Outcomes are defined as being the benefits of these particular outputs. For example, it would be expected that out of these sixty beneficiaries, a certain number would enter paid employment. Funding is usually provided to third sector organisations on the premise that certain outcomes be achieved (Bridge et al, 2009).

likely bring demands for new reporting formats on specific outcomes if GP funding is secured.

This chapter investigates the relationship between the ethos of arts and health organisations with demands for quantified monitoring and evaluation. Using the example of Artspace, it focuses on the daily challenges and dilemmas facing an organisation caught between the need to interact with a wide range of funders, whilst also being desirous to maintain its holistic, person-centred, and community-centred ethos. Three broad themes were identified: the value of evaluation, the risks of evaluation, and the negotiation of evaluation.

## **6.4: Managing Demands for Evaluation**

### **6.4.1: The Value of Evaluation**

Organisations are likely to conform to external pressures if doing so will result in social and economic benefits (Oliver, 1991). In Artspace's case, staff and practitioners were responsive to the prevailing climate of quantified monitoring, believing that it benefited the organisation in three ways: by providing evidence to funders of the organisation's success; by providing a better and personalised service; and by enabling reflective practice.

#### *Evidence to Funders*

Interviewees generally felt that conducting evaluation was a necessary part of Artspace's work, and believed that it helped it to prove its worth to any stakeholders. For example, by monitoring the numbers who not only attended specific classes, but also who came into the building, even if just for a hot drink, Artspace documented a considerable rise in the number of users over a year, showing its ever growing importance to the local community. The interviewees saw this kind of tangible evidence as necessary to ensure the organisation's survival, especially given that stakeholders and the wider public were often uninformed as to what Artspace actually did. Staff members were sympathetic to funders' need for evidence that money was being spent effectively, and thus considered it essential that Artspace conducted appropriate evaluation.

“...we need that body of evidence to be able to go to funders and say that this is what we can do and this is what we can achieve, so it’s absolutely vital that we do it...”  
(Interview with Yvonne (core staff), 21/07/10)

Although staff had not conducted as much evaluation in the past as they would have liked, they expected that NHS reforms would result in evaluation becoming an increasing necessity. The proposal for GPs to directly commission services in future made it essential that Artspace invested substantial time obtaining evidence of the organisation’s benefits in order to position itself favourably with the GPs, otherwise it would fail to secure the required levels of funding or recognition.

“...so you can’t prove your value without monitoring what you’re doing, so you have to value your existence, and then other people will value your existence as well...”  
(Interview with Rebecca (core staff), 04/03/11)

A recent evaluation was conducted by the organisation following the end of the Wellbeing Programme, which ran between 2008 and 2012. Through the use of the Warwick-Edinburgh scale<sup>38</sup>, Artspace was able to prove that individual wellbeing had significantly improved as a result of its intervention. This evaluation also drew upon qualitative information obtained through short interviews, and identified a number of positive outcomes attributable to Artspace, which included improved wellbeing, increased social contact, engagement in meaningful activity and benefits to the family or carers of attendees.

#### *Improved Services to Beneficiaries*

Despite the external demand for evaluation, staff and practitioners believed that it also brought a number of internal benefits. For instance, several of the practitioners were only employed for one session a week, yet many service users attended Artspace activities on multiple days. Keeping records in sessions was viewed as one way by which Artspace could offer a more coherent and effective service. For instance, noting down any concerns about a particular service user would enable appropriate attention by other practitioners in later sessions. In this case, monitoring supported Artspace’s commitment to ensuring that its beneficiaries remained at the forefront of its practice.

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<sup>38</sup> The Warwick-Edinburgh Mental Well-Being Scale (WEMWBS) is a tool for assessing positive wellbeing. It considers wellbeing from both a hedonic and eudaimonic perspective.

“...I think it’s also essential that we do that [monitor people’s progress] so that as practitioners we work out whether or not the people that we’re being paid to serve are benefiting from what we’re doing...” (Interview with Jennifer (practitioner), 05/04/11)

“...without evaluation, its difficult to move forward, to progress; unless you take stock of what’s happened, you can’t then move forward, you’re just going on, blindly, without looking to left or right as to the effect of what you’ve done in that session, what the effect its had on your participants being the main thing, but the effect its also had on yourself, and the effect its also having on the whole set-up at Artspace...” (Interview with Nancy (practitioner), 17/06/11)

Evaluation was also considered to be “healthy” in that as it allowed people’s progression to be monitored, it could be used to maximise the ways in which each person could best benefit from attending activities. Evaluation was thus a way in which Artspace could continue to sustain its ethos as an organisation primarily focussed on the needs of the individual. It was considered important that the service users themselves could keep track of their progress and personal development over time.

Artspace now, as a matter of course, asks all new service users a number of questions about where they feel they are in life. Staff believed that asking the same questions six months later would allow them to see if people had benefited from attending any Artspace activities. Incidentally, while evaluation was often framed as being ‘intrusive’ to service users, one practitioner argued that some people appreciated having the opportunity to express themselves, with evaluation being an occasion where they could feel genuinely listened to.

### *Reflective Practice*

Artspace occasionally ran reflective practice meetings, where practitioners met to evaluate their experiences, share good practice, and learn from one another. These sessions were valued as it allowed the practitioners to discuss what occurred within the sessions, rather than the information ‘just being written down and then filed’. Staff felt that such sessions were beneficial to both service users and practitioners alike.

### 6.4.2: Challenges of Evaluation

Despite welcoming some of the benefits of evaluation, Artspace staff also explicitly discussed the challenges involved in the monitoring of the organisation’s activities. These fell into four groups of concern about quantified monitoring: technical and logistical challenges; the risk of disruption to working practices; damaging or

unethical practices in the context of some of the more vulnerable clients; and the inappropriateness of measurement in capturing the benefits of arts-based practice.

### *Technical and Logistical Challenges*

Implementing an effective system of monitoring required a substantial investment of time and effort. In some ways, arts and health organisations are in a catch-22 situation: on the one hand, they must build up a strong evidence base to access better sources of funding; however, on the other, given the cash-strapped nature of many projects, they often struggle to find the time and resources to conduct rigorous evaluation (Charity Commission, 2009; Macnaughton et al, 2005).

In the past, Artspace staff acknowledged that evaluation had occurred in a somewhat ‘ad hoc’ manner as best they could with the available time and resources. Staff had previously considered employing an external consultant to undertake evaluation of a three-year funded programme of activities. However, they decided against it because of the high cost requirements (£2000), and also because of the fact that ‘much of the evaluation related to lessons learnt which internal staff were best placed to answer and collate’.

While it was expected that the amount of time spent on evaluation would almost certainly increase in future, staff believed that they were already working at full capacity, and that that any increase in their workload would be difficult to manage. Positioning evaluation explicitly as an integral part of the practice was considered as one possible solution.

“...it always seems a bit weird to have it kind of tacked on to the end of the group when nobody’s actually interested at all in filling the form in, and some people can’t, so I think finding a way of making it integral to the practice is the answer, if possible.”  
(Interview with Jennifer (practitioner), 05/04/11)

### *Disruption to Working Practices*

However, staff feared that filling in evaluation forms during sessions could detract from the valuable personal contact between artists and beneficiaries. A central tenet of Artspace’s working ethos is its ability to respond to its beneficiaries in a caring manner with ‘a big heart and open arms’. As the organisation worked closely with people who were unwell or who had particular needs, it was felt that practitioners needed to be aware of the situation within the sessions at all times. However, at the

same time, deferring completion of these forms until the end of a session could lead to practitioners forgetting useful or important information.

“...I know it’s very important and I know it has to be done, but I’ve probably forgotten most things by the time it comes to writing it down, and if I try and do it during the session then you’ve taken your eye of the ball...” (Interview with Robert (practitioner), 12/05/11)

The possibility that the ethos of the organisation could be seriously compromised by increased evaluation was a widely held view. Staff generally believed that Artspace already spent too much time completing paperwork instead of interacting with service users. As a result, evaluation was seen in negative terms, being described as ‘boring’, a ‘burden’ or something which the organisation ‘needed’ to do. This negativity was largely levelled at the quantitative aspects of evaluation, although one practitioner believed that even the internal reflective practice sessions often failed to generate new insights or topics for discussion.

#### *Damaging or Unethical Practices*

Thirdly, staff and practitioners identified various instances where conducting evaluation would have been inappropriate and damaging. New service users may have made a brave step beyond their comfort zone to attend an Artspace activity, and asking them a series of personal or complex questions in an early session was seen to potentially deter them from returning in future.

“...it’s a fine line between catching somebody in their early stages of engagement with us...to not wanting to put them off coming...” (Interview with Yvonne (core staff), 04/05/11)

Even to regular beneficiaries, evaluation forms had a certain stigma associated with them. One long-term service user was heard to proclaim his displeasure at being asked questions by the facilitator, who had been attempting to update Artspace’s records. However, as staff were aware of the potential for alienation from data collection, they devised strategies to minimise the risks. For example, they conducted interviews informally in a quiet corner of the main art room, rather than within the more formal space of an enclosed office. Nevertheless, for some groups of people, and for some activities, staff decided that conducting in-depth evaluation was not suitable at all. Asking people complex or intrusive questions was inappropriate at those events attended by a large number of children and families. Some service users had specific

difficulties communicating their thoughts and feelings effectively, and staff did not want to make people anxious by asking them to do so.

“...I think it is important that we find ways of evaluating that suit the participants, for example, there are some people that I work with who can’t write, they can’t fill in a form.” (Interview with Jennifer (practitioner), 05/04/11)

Nevertheless, in previous years, Artspace was successfully able to conduct monitoring and evaluation of service users in a non-intrusive manner. While these evaluations were based around qualitative data, and were therefore less ‘stringent’ than those demanded by many stakeholders, this was still evidence that the organisation could draw upon its caring ethos even when attempting to obtain evidence of its effectiveness to stakeholders.

“...when we got money from the New Opportunities Fund as a healthy living centre in 2000, we asked [an evaluator] if she’d evaluate that for us on an annual basis, so she came and did these days of interviews and focus groups...she didn’t use a tape recorder, she’d write notes and then she’d write it all up, and people would see it and just check it and say they’re okay, and then it were turned into a report, but it was really stories of change...” (Interview with Susan (core staff), 23/08/11)

#### *Inappropriateness of Outcomes Monitoring Tools*

Lastly, staff challenged the ability of many outcomes monitoring tools to capture ‘softer’ benefits such as self esteem. Staff believed that some of the things at which Artspace succeeded, such as increasing people’s confidence and widening their social networks, were hugely important to people’s wellbeing. However, many of these benefits were considered to be hard to measure empirically. Moreover, these benefits were neither evident nor measurable over short periods of time. Staff who had worked at Artspace for some years recalled how the organisation had been structured by the demands of funders in the past in a way that challenged its beneficiary-centred focus. This included pressure on the organisation to show evidence of its benefits within a comparatively short timescale.

“...it’s normally the funders that are asking the questions, and like I say they’ll always put a timescale on it, and not always our outcomes are within that timescale, our outcomes are definitely there, but might not be achieved within that actual timescale...” (Interview with Steph (practitioner), 12/04/11)

Many of Artspace’s activities were time unlimited, and participation continued throughout the year, bar a short break at Christmas and summer. While participation might benefit some people in the short term, practitioners and core staff alike felt that

real differences could only be observed on a longer term basis, such as over a period of six months or more.

#### 6.4.3: Negotiating Evaluation

Given the concerns expressed by staff and practitioners of the challenges, risks and appropriateness of implementing a quantified monitoring approach to evaluation, staff actively explored organisational and practice-relevant approaches which they believed would best meet the needs of staff, clients, and external funders. Two of these approaches aimed to realise the perceived benefits of monitoring and evaluation for the organisation's own working practices. They concerned a streamlining of responsibility for on-going monitoring away from the majority of practitioners, and exploring alternative forms of evidence to enable benefits to less communicative service users to be measured.

Artspace also adopted a proactive approach to negotiating with funders about the terms on which evaluation might be based. In particular, Artspace staff developed their own outcomes measurement tool relevant to the needs of their beneficiaries. This was based on their understanding of the benefits which engagement in the arts may bring, with the acknowledgement that some service users may take considerably longer than others to benefit from an intervention.

#### *Streamlining of Evaluation*

Staff predicted that the demand for increased evaluation would result in practitioners and staff spending more time setting particular goals with service users and monitoring their progress towards these goals. Given that workloads were already stretched, the organisation followed a staff-led suggestion to allocate the majority of the evaluation work to the 'facilitator', a specialised Artspace position largely concerned with monitoring service user progress and encouraging people to participate. In the past, Artspace had previously applied unsuccessfully for funding for a 'pathway worker' to support people throughout their time with the organisation. It was felt that the current facilitator position could eventually evolve into something of a similar nature.



### *Alternative Forms of Evidence*

Artspace staff experimented with alternative ways of monitoring as an additional means of recording the outcomes of the various activities undertaken. These included visual methods of recording progress such as photography, as well as noting down any informal comments from service users. These alternative methods not only served to illustrate Artspace's work in terms of what it delivered, but also enabled the organisation to capture how its activities benefited those who had difficulty communicating or expressing their feelings. The Artspace team considered themselves to be 'skilled at producing meaningful findings from informal methods', for example, using the artwork produced by service users as evidence that specific outcomes had been achieved. In instances where verbal material is absent, art has been successfully used to understand the needs of participants and track their progress (Steinbauer et al, 1999).

Also, given the comparatively low numbers of Artspace attendees, the use of qualitative or alternative methods was at times the only meaningful way in which the organisation's impact on beneficiaries could be measured. However, while 'informal' methods may support the internal benefits of evaluation to the organisation, the potential use of such methods may be limited if external funders still require evidence based on quantified monitoring.

### *Negotiation of Evaluation*

Should an organisation be sceptical of the need to conform to institutional pressures, or where such pressures are considered contradictory to its interests, then it will attempt to avoid conformity in a number of ways. For example, it may choose to avoid any situations where it may have to make changes, seek to actively defy or resist the stakeholder(s) requiring conformity, attempt to manipulate the institutional environment, or seek to negotiate with the stakeholder(s) concerned (Oliver, 1991). Given that Artspace relied upon its external stakeholders for both legitimacy and funding, there were limited possibilities available for it to avoid or resist external pressures.

However, the organisation was successfully able to negotiate with certain funders around some of its outcomes, and on what evidence was considered acceptable. For examples, the Big Lottery did not initially accept the inclusion of attendees at the lantern making workshops in the annual total number of beneficiaries. However, it

changed its position after Artspace produced a number of positive quotes from attendees at the workshops. The Lottery had also stipulated that Artspace should conduct a wellbeing action plan with all workshop participants, a process which staff considered inappropriate given that attendees were largely children and families. Through negotiation, the Big Lottery finally agreed that Artspace could instead use a brief, informal questionnaire, that was not overly intrusive, to evaluate participants in the workshops.

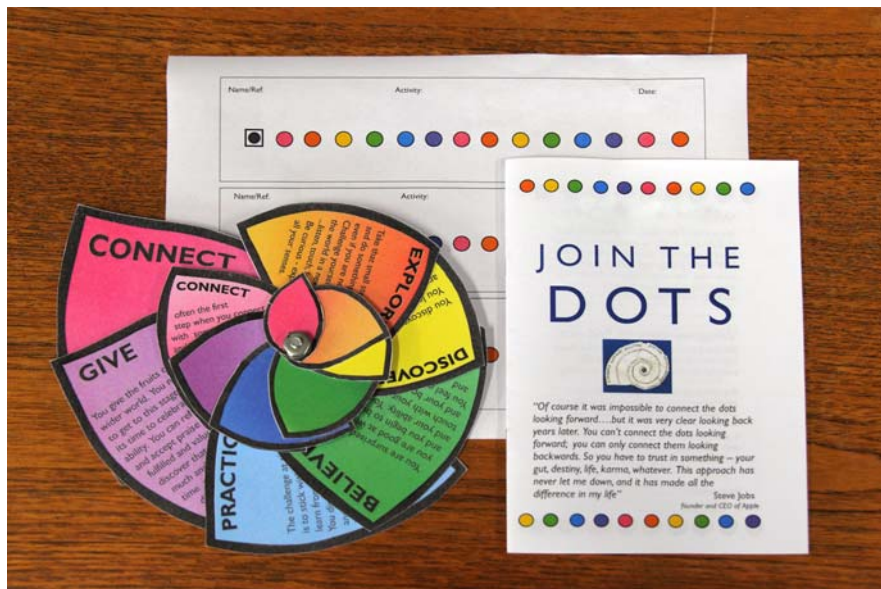


Figure 6.1: *The Discovery Outcomes Tool*

Artspace was also proactive in negotiating with funders around the terms of evaluation through the development of its own outcomes monitoring tool specific to its own work (figure 6.1). As creative director, Susan had the job of developing such a tool. While outcomes monitoring tools such as the aforementioned Warwick-Edinburgh Mental Well-Being Scale had been utilised by Artspace in the past, in general, existing tools were considered unsuitable by staff in several ways. They did not take the complexity of particular situations into account, such as the way in which apparently insignificant decisions could have huge impacts later; they mostly focussed on individual change, and thus did not take into account the importance of networks, relationships and community; and they gave insufficient recognition to so-called ‘softer’ outcomes.

“...people are doing creative things all the time, and creative things benefit your wellbeing, but for some reason it isn't allowed to be recognised, people don't count it...” (Interview with Susan (core staff), 17/11/10)

The holistic ethos of Artspace was based on providing a warm welcome and a 'congenial space' for beneficiaries; attributes which may be difficult to capture using existing outcomes tools. Artspace also considered creative engagement to be an important aspect of the organisation. The development of a new tool sought to take these benefits into account. Moreover, a new monitoring tool that captured Artspace's own understanding of the benefits it provided could be used to standardise the way that the organisation reported back to its stakeholders.

“...what we need to try and do is make sure that we've got a system that's suitable for both so that we're not having to sort of count it one way for one funding organisation and another way for another cos the burden of monitoring is quite a lot really, and if you've got to do it sort of three or four times in three or four different ways, it's a pain” (Interview with Yvonne (core staff), 21/07/10)

In line with the concerns of other staff at Artspace, Susan considered existing monitoring tools as unsuitable for the organisation's work. Such tools often involve an initial conversation between service users and practitioners, where practitioners seek to find out prescribed information within a specific period of time. Staff believed that the often 'institutional' focus of such conversations conflicted with the working ethos of Artspace, which strived for genuine contact based on a relationship of trust without being overly intrusive or complicated.

Susan similarly reflected Artspace's critique of the way in which progress was conceptualised and measured through existing monitoring tools. Artspace staff viewed progress as non-hierarchical, in which each so-called stage in a person's wellbeing pathway was neither more nor less significant than any other. Susan sought to involve service users in the development and trialling of the model which, in keeping with the ethos of the organisation, enabled people to select the particular outcomes which they wanted to aim for, rather than such aims being imposed from outside.

Nonetheless, even with the mobilisation of the new, more flexible monitoring tool, it was felt that much of Artspace's work would likely remain under-recognised by potential funders and other stakeholders.

“...it will probably always remain something of a problem, working in what is often a somewhat too rigid, rational environment where you're using a medium or media which are working in lateral ways to stimulate change in people...” (Interview with Scott (core staff), 10/02/11)

Truly understanding the benefits that organisations such Artspace bring to the community may only occur through first-hand experience of their atmosphere and practice. Susan recalled the occasion when she found it almost impossible to explain the nature of the organisation to a key stakeholder, but mentioned that ‘the minute he walked in the door he got it’.

### **6.5: Discussion**

This chapter set out to explore the relationship between the working ethos of third sector organisations with demands for quantified monitoring and evaluation. The case study of Artspace highlighted a range of ways in which the organisation and its staff engaged with this growing demand, embracing some aspects, recognising a number of tensions with the organisation’s ethos of working, and actively negotiating the terms of monitoring and evaluation.

Practitioners regarded evaluation as time-consuming and potentially detrimental to the way they operate, a view held by practitioners in other arts and health organisations. Angus (2002) found that while many practitioners recognise that evaluation is necessary, they also believed that its main purpose was to satisfy funders. Practitioners are often the most sceptical about the process of evaluation, believing it to be constraining in nature (Smith, 2003).

It should be noted that any criticism of evaluation was not evident in any documents, such as reports for stakeholders, or even during the formal space of the team meetings, but occurred during conversation with staff and practitioners. This was evidence of the ‘backstage’ persona identified by Goffman (1959), who described how an actor can step out of character without affecting the ‘performance’. Here the actor “can relax, he [sic] can drop his front, forgo speaking his lines, and step out of character” (p115). Although staff aligned themselves with stakeholders’ wants and needs when engaging with them directly, they also criticised their demands within the ‘backstage’ environment of the Artspace office.

Despite acknowledging that quantitative monitoring was by and large a pervasive discourse in contemporary society, and that implementing this kind of evaluation posed a number of challenges, Artspace staff accepted that it could bring positive benefits to the organisation and act as a valuable source of legitimacy. For example, monitoring outcomes in line with certain guidelines can provide an organisation with *procedural legitimacy*, even before any benefits are made apparent.

Conforming to taken for granted methods of good practice “may serve to demonstrate that the organisation is making a good-faith effort to achieve valued, albeit invisible, ends” (Suchman, 1995: 580). Statutory control over organisations not only consists of formal elements, whereby evaluation requirements are linked to contracts, but can also occur informally and indirectly, for instance, through the promotion of normalised ways of working (Arvidson and Lyon, 2013).

Artspace staff believed that providing evidence to stakeholders would improve the organisation’s reputation, and potentially lead to it being more successful at obtaining contracts or funding. Indeed, the Department of Trade and Industry (DTI) stated that “there are real economic and social gains for organisations that use appropriate mechanisms to evaluate their impact and improve their performance” (2002: 76). Conducting monitoring and reporting, regardless of the usefulness of any information obtained, creates the impression that an organisation is well managed, willing to open itself up to scrutiny, and constantly seeking to improve its efficiency (Arvidson and Lyon, 2013; Brinkerhoff, 2005).

The benefits of evaluation may be internal, helping organisations to improve their practice and become more aware of people’s needs. However, deeper discussion with Artspace staff revealed that their acceptance of these internal benefits did not necessarily correspond to an acceptance of the external climate of quantified monitoring. Whilst claiming to recognise that this form of evaluation was both beneficial and necessary, in practice the organisation had serious reservations about the practicality, ethics and appropriateness of these approaches.

One of the major concerns was that the organisation’s ethos and values could be significantly compromised by demands for evaluation. A challenge for many arts in health organisations, and indeed, third sector organisations as a whole, is that demands for evaluation may reshape their structures, procedures and working practices in line with those of the funder (DiMaggio and Powell, 1983). Focussing on measurable benefits may mean that softer, less quantifiable outcomes are ignored or sidelined (Amin et al, 2002), resulting in the organisation operating in ways distinct from its core ethos and values (Carmel and Harlock, 2008). Organisations may focus more upon their accountability to funders and less on those they seek to benefit (Laratta, 2009a). The scope and direction of community arts projects may be influenced by requirements for evaluation (Angus, 2002), with art being seen as “merely instrumental to prescribed social outcomes and public policy agendas” (Putland, 2008: 266).

Staff and practitioners at Artspace described similar experiences in this direction through the influence of social services, which determined the structure of the organisation's week and influenced the terminology that it used. While it was felt that this form of influence may become stronger with moves towards personalisation, GP commissioning and outcomes-based contracts, Artspace staff were fully aware of this potential threat to the organisation's ethos, and explored strategies to mitigate this. Artspace successfully negotiated with the resource consultancy administering the Big Lottery money, both around the outcomes expected of it, and around the evidence it was expected to provide. In some ways it was fortunate for Artspace that it was capable of negotiation. Some third sector organisations in receipt of Lottery income believed that this money "entailed an imposition of governmental (and specifically New Labour) values upon the sector" (McKinney and Kahn, 2004: 16).

Nevertheless, despite its 'quasi-state' nature, the Big Lottery still appeared to view wellbeing in a similar way to Artspace, being concerned with positive mental health, social networks, and social capital, and not just with an absence of disease (Abdallah et al, 2008). As such, while Artspace's ability to negotiate successfully may have seemed like a major achievement by the organisation, it could be argued that the aims of the Big Lottery Wellbeing programme were not far removed from Artspace's ethos, with both parties having some degree of 'structural similarity' with regards to expectations and norms (Zott and Huy, 2007). It remains to be seen whether Artspace can negotiate in such a way around outcomes with the statutory sector 'proper', given that the practices of statutory organisations are often rigid and uncompromising in nature (Klijn and Koppenjan, 2000; Warner et al, 1998).

Experimentation with alternative forms of evaluation was another strategy utilised by Artspace. Despite the fact that a number of outcomes monitoring tools were available for the organisation to draw upon, Artspace still chose to develop its own tool. There have been calls for arts and health projects to devise and test appropriate evaluation tools that are "sensitive to the processes of the work but also robust enough to delineate outcomes" (White, 2009: 206). Artspace staff believed that the 'DOT' would satisfy stakeholders requiring numerical evidence of progression, while at the same time, enable the organisation to track the 'softer' outcomes which it believed were equally as important.

In some ways, this was also evidence that Artspace was responding to institutional demands and expectations through manipulation, described as the

“purposeful and opportunistic attempt to co-opt, influence, or control institutional pressures and evaluations” (Oliver, 1991: 157). Strategies of manipulation are the most active response to the institutional demands and expectations an organisation may face, as here the organisations themselves are actively attempting to change institutional expectations and benchmarks. The development of the ‘DOT’ was an example of manipulation, given that rather than simply use this tool as an internal measurement of outcomes, Artspace staff believed that it could be adopted by other organisations, and was therefore attempting to shape external values, beliefs, and criteria (Oliver, 1991).

Again, however, it remains to be seen whether such an approach will ultimately succeed. Angus (2002) argued that evaluatory methods which satisfy an arts funder may not necessarily satisfy a funder from the statutory sector. There is also the possibility that any evidence, no matter how rigorously it was obtained, may be discounted by those with their own specific agendas (Matarasso, 1997; Mitchell, 1999). Even today, complementary interventions such as arts and health remain on the periphery of healthcare, which is largely a result of the influence, power, and claims to knowledge held by biomedical practice (Sointu, 2006).

Nevertheless, Artspace appeared to have made considerable headway in its relationship with the statutory sector. Its board of trustees included several people who had worked in the statutory sector, and Artspace succeeded in obtaining a monthly slot at the local surgery where the facilitator met with potential beneficiaries and signposted them onto various Artspace activities. This was seen as being hugely important, and was referred to by one staff member as social prescribing ‘in through the back door’.

## **6.6: Conclusion**

The case study of Artspace showed that organisations can successfully challenge and negotiate the terms of evaluation with their stakeholders. These strategies do not require a complete resistance to imposed practices from external funders, but neither do they involve full or uncritical compliance. Artspace’s attempts to negotiate with its stakeholders was an intentional way in which it reworked the structures imposed from outside the organisation into processes it felt it could work with, thereby enabling it to largely maintain its overall ethos and values.

## **Chapter 7: The Challenges of Implementing User Fees**

### **7.1: Introduction**

Many social enterprises remain dependent on statutory sources of income, which is often attributed to the inability of their beneficiaries to contribute even a small amount of money towards the cost of the service (Besel et al, 2011). Nevertheless, with statutory income becoming scarcer or more restricted, many third sector organisations have implemented user fees to make up this shortfall (Foster and Meinhard, 2002; Harris, 2010; Weisbrod, 1998). The challenge for third sector organisations is how to ensure that these charges do not deter beneficiaries from using their services (Spear et al, 2007). This chapter investigates the practical and financial implications facing charities that are considering adopting a charging policy, looking at the process of implementation and the reaction to these proposals from beneficiaries and employees.

The debate pertaining to the proposed implementation of charging and full cost recovery emerged as the researcher spent time in the field, and was subsequently pursued as a specific example of the challenges faced by social enterprises and third sector organisations in general. A number of benefits and disadvantages to charging and full cost recovery were identified. These were based upon predictions by staff and service users as to the potential impact of formalised charging, and also on the observed impacts of the schemes that were eventually implemented; namely the introduction of a voluntary ‘what you can’ approach to charging, and the decision to end the subsidisation of the weekly community lunch.

Research also investigated the consequences to organisations that adopt controversial schemes or activities, and the effects of this upon their legitimacy. Should an organisation face competing objectives, it may be required to undertake a delicate ‘balancing act’ (Moizer and Tracey, 2010), utilising a range of strategies such as impression management (Manning, 2008) to ensure that its reputation is not affected. While controversial issues such as charging and full cost recovery may highlight tensions between internal stakeholders, they can also highlight one of the main strengths of social enterprises: namely their ability to manage external challenges through lateral thinking and innovative practices.



## **7.2: Forms of Income Generating Activity**

To counter the possibility of ‘institutional isomorphism’ (DiMaggio and Powell, 1983) associated with reliance on the state for grant income, or indeed simply to survive (Chew, 2010; Morrin et al, 2004), third sector organisations have increasingly adopted private sector principles, for example, by adopting business goals, becoming more business-like in their service delivery, and becoming more business-like in their management and governance (Dart, 2004b). One possible business goal, and that which defines a social enterprise, is the generation of income which is then reinvested in an organisation’s social side. These dual social and business aims have been referred to as a ‘double bottom line’ (Emerson and Twersky, 1996).

Social enterprise activity is diverse, and includes the sale of food to the public, the training of marginalised people, and the provision of health services to the community (Teasdale, 2010b). Third sector organisations worldwide have increasingly adopted a variety of income-generating activities (Dees, 1998). In the UK, the sale of goods and services to the public increased from £4.2 billion in 2000/01 to £6.6 billion by 2009/10 (NCVO, 2012). Income generating activity can take three main forms: primacy purpose trading, where the organisation trades to directly further its objectives; ancillary trading, which is indirectly related to the charity’s mission; and non primary purpose trading, where the entrepreneurial activity is not related in any way to the organisation’s mission (Cornforth and Spear, 2010).

An example of ancillary trading would be where a café or bar within an art gallery sells food and drink to the visitors of an exhibition. However, the same activity would become a non-primary purpose activity if the café also traded to the general public (Charity Commission, 2007). Non primary purpose trading is considered to have no direct social impact, with trading focussing solely on profit. However, this income is then transferred, either in part or as a whole, to another activity that does have a social impact. A charity can lawfully engage with such trading “only where there is no significant risk” to its assets (Charity Commission, 2007: 9).

Charging beneficiaries for services is one example of primary purpose trading (Crump and Della-Porta, 2009). Here, the activity being paid for is one of the primary reasons for the charity’s existence. Other examples of primary purpose trading include the sale of goods produced by the beneficiaries of a charity, and the provision of accommodation by a residential care charity in exchange for payment (Charity Commission, 2007). Primary purpose trading appears to be the most desirable and

popular form of trading for social enterprises. In an American study, third sector organisations that had adopted commercial activities were more likely to engage with activities directly related to their mission than in unrelated activities (Froelich, 1999).

The profits from primary purpose trading (and ancillary trading, which is treated as primary purpose trading for tax purposes and in UK charity law) are exempt from corporation tax (or income tax in the case of charitable trusts), providing that these profits are used to benefit the charity in question (Charity Commission, 2007). While non-primary purpose trading is subject to corporation/income tax, there is an exemption for small-scale trading, providing it does not exceed a specified threshold<sup>39</sup>. Although many organisations will have both primary and non-primary purpose elements, both these elements must be treated as two separate trades for tax purposes, should the total income raised exceed the threshold for small-scale trading (Charity Commission, 2007).

### **7.3: The Benefits and Disadvantages of User Fees**

#### *Benefits*

The debate of whether to charge people for a service is seen in a number of diverse activities and fields, ranging from museums (Cowell, 2007) through to outdoor recreation sites (McCarville, 1996). These debates have been occurring for some time now; for example, there were public discussions over whether London's National Gallery should be free to visitors as long ago as the early 19<sup>th</sup> century (Cowell, 2007). Fees may bring a number of benefits to both beneficiaries and organisations; for example, they may lead to improvements in the quality of a service, as the host organisation would be competing for customers (Towse, 2005). Evers (2001) believes that the imposition of user fees and the offering of a service for a social purpose do not have to be mutually exclusive.

Beneficiaries of services may also perceive free services to be of poorer quality than those that charge (Creese, 1991; Le Gall-Ely et al, 2008). In one instance, the introduction of charges to see the *Book of Kells* in Dublin improved the quality of the exhibition, resulting in greater visitor satisfaction, whilst having negligible impact

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<sup>39</sup> The maximum permitted annual turnover from trading (to be eligible for the small-scale exemption) should be no more than 25% of a charity's total incoming resources, should these resources total between £20,000 and £200,000. For organisations with incoming resources under £20,000 and over £200,000, the maximum turnover from trading is £5,000 and £50,000 respectively (Charity Commission, 2007).

upon overall visitor numbers (O'Hagan, 1995). However, O'Hagan also notes that in this case, the visitors were largely tourists who were willing to pay a relatively high price. As the *Book of Kells* is unique, it therefore has a relatively low 'elasticity of demand'.

The income from fees is often more useful to charities than grant or contract income, as the latter is often restricted to particular purposes (Dees, 1998). In addition, as beneficiaries are aware of the costs of access, 'dependency' and 'institutionalisation' may be avoided (Akin et al, 1987; Dees, 1998). Charging can also help service users take responsibility for themselves, for example, by improving their budgeting skills (Whiteford, 2010).

Once people understand the value inherent in an organisation, they also raise their expectations, thereby creating a 'virtuous circle' of improved finances for the charity in question and improved outcomes for beneficiaries (Williamson, 2011). Attendees may be more likely to voice complaints if paying for a service, with these complaints likely to be heeded should legitimacy be at stake (O'Hagan, 1995). Recognising this, charities that fully charge beneficiaries are more likely than those that offer free services to have a 'standard of service', defining the level of service that users are entitled to. (Charity Commission, 2009).

Fees may also reduce the level of 'drop out' (Piper, 2011). Because users have made a conscious budgetary choice, they may formally schedule visits to a service, rather than use it spontaneously or informally (Charity Commission, 2009; Le Gall-Ely et al, 2008). Charging may also de-stigmatise third sector organisations. In a survey carried out by the Charity Commission (2009), 28% of respondents stated that they would be embarrassed to receive help from a charity if access were free, whereas this figure dropped to 21% if they were required to directly pay to access the service.

### *Challenges*

However, charges can deter those most in need (Normand and McPake, 1992; Williamson, 2011; Whiteford, 2010). Research into health service access in both the developing and developed world found that while those who were better off were largely unaffected by price increases, a modest rise in fees led to a substantial reduction in service use by those on very low incomes (Creese, 1991; Gertler and Van der Gaag, 1990).

Dees (1998) argues that in an ideal world, the beneficiary would pay full cost for services, being able to determine whether he or she valued a service enough to want to pay for it. However, the beneficiaries of charities are rarely well-informed customers, who may not fully appreciate the value of the service being offered to them, or be able to pay anything near the full cost of attending (Bacchiega and Borzaga, 2001; Dees, 1998). To meet the needs of some of their client groups, social enterprises must price products or services at an affordable level, placing them at a disadvantage compared with commercial enterprises (Foster and Bradach, 2005). In addition, social enterprises often operate in areas of ‘market failure’, in which profit-making organisations consider unviable. Therefore, it may be unrealistic to expect them to raise considerable amounts of money through fees (Tracey et al, 2005).

Charity workers have identified structural and financial arguments against charging. While it was felt by some that charities could and should learn from businesses, by helping them adapt to a changing social economy, others argued that introducing and encouraging competition would encourage providers to cut corners, resulting in poorer quality services (Williamson, 2011). Earned income also accounted for a small share of social enterprises’ funding streams (Foster and Bradach, 2005), with fees delivering ‘patchy’ financial returns that were too low to maintain a stable funding base (Williamson, 2011). An increase in UK museums’ non-statutory income has resulted in reductions in government subsidies (Maddison, 2004), thereby reducing incentives to move away from a reliance on statutory income.

Creese (1991) argues that those who can afford to pay for services could be charged, essentially operating a ‘two-tier’ pricing structure. However, there are likely to be a number of challenges inherent in operating a system that distinguishes between those capable of paying and those who cannot (Vogel, 1988). For example, charities must find a non-demeaning way of finding out whether people can or cannot afford to pay for a service (Williamson, 2011). While asking for donations may enable an organisation to maintain access to its poorer beneficiaries, it may not raise as much money as formal charges. Following the abolition of admission charges in British national museums and galleries in 2001, only one in five visitors stated that they had increased the value of their donations to these institutions (Martin, 2003).

The manner in which beneficiaries react to the introduction of user fees is dependent on their expectations of a service and their experiences of charges elsewhere (McCarville, 1996). For example, people are likely to view fees as unfair if they are

being introduced for the first time. Occasional users of a service, or those who travel further to access it, may be more tolerant to the introduction of or increase in user fees than frequent users, or those living nearby (McClaskie et al, 1986). This is because the costs of accessing a service are not restricted to entry charges, but includes additional financial elements such as the spending associated with the visit, and any non-financial elements such as the travel time. Therefore, even if entry is free, various costs may still be associated with a particular service (Le Gall-Ely et al, 2008).

The Charity Commission's guidance on charitable purposes and public benefit (2012) states that charities are able to charge fees that cover the cost of their services, providing these charges do not exclude poor individuals from attending. It recommends that provision to poorer beneficiaries should be more than 'minimal or tokenistic', and could include either concessionary rates, or the ability to 'earn' the use of a service through volunteering.

#### **7.4: Managing Unpopular Decisions**

Third sector organisations are reliant on capital, community need, and perceived legitimacy (Moizer and Tracey, 2010), with depletion of any of these factors resulting in an organisation becoming unsustainable. While charging beneficiaries may provide an organisation with a valuable source of income, at the same time, it may result in a reduction in perceived legitimacy if less well-off clients are no longer able to attend. Beneficiaries may even choose to boycott an organisation if they consider it to have acted unfairly, even when not in their best interests to do so (Kahneman et al, 1986). As a result, the issue of charging has caused a great deal of consternation amongst charity employees, leading to them seeking advice over how to implement user fees whilst maintaining accessibility (Gilfeather, 2011).

Organisations face a number of challenges, both exogenous and endogenous, which can potentially threaten their legitimacy. Exogenous issues are typically associated with finance and regulation, which organisations can lobby for, but which are mainly outside their control. Endogenous issues, on the other hand, can be controlled by the organisations themselves, being concerned with the decisions made by employees or trustees (Borzaga and Solari, 2001).

An organisation can draw upon a range of strategies to maintain, defend, or extend legitimacy when managing both exogenous and endogenous challenges (Ashforth and Gibbs, 1990). For example, as discussed earlier, organisations can

justify difficult decisions through Goffman's concept of impression management. While there are many instances of organisations using impression management when working with external stakeholders such as funders (e.g. Teasdale, 2010a), they may also use 'defensive impression management' (Tedeschi and Melburg, 1984) when interacting with internal stakeholders such as beneficiaries. This strategy allows organisations to maintain legitimacy whilst making unpopular changes, thereby acting as a form of 'damage limitation'. It may also be used to regain lost legitimacy following controversial events (Arndt and Bigelow, 2000; Chen and Fang, 2008).

One strategy is to provide 'accounts', defined as the "explanations designed to remove one from a situation that may reflect unfavourably on one's image or claims to legitimacy" (Ashforth and Gibbs, 1990: 181). Accounts may take the form of excuses or justifications. An organisation may utilise 'excuses' when seeking to minimise responsibility for a negative outcome, whereas it may use 'justifications' when acknowledging responsibility for the consequences of an event or decision, but not its negative implications (Arndt and Bigelow, 2000; Tedeschi and Melburg, 1984). Organisations will fully acknowledge their responsibility for implementing particular decisions when any impact on their legitimacy is not considered to be severe (Elsbach, 1994). However, accounts may not be enough to satisfy beneficiaries in all cases, who may expect staff to control and manage an organisation effectively, and be capable of foreseeing and dealing with any external problems (Sutton and Callahan, 1987). An organisation's legitimacy may be further threatened should beneficiaries believe it to be partly responsible for any negative outcomes that it seeks to attribute to factors outside its control (Jones et al, 1984).

## **7.5: Artspace and Charging**



*Figure 7.1: While Artspace has traditionally kept signs to a minimum, notices like these were seen as justified in situations where ‘every penny counts’*

Artspace sought to raise additional income through a mixture of primary purpose, non primary purpose, and ancillary trading. Proposals included becoming a trading provider for arts and health, developing an outcomes monitoring tool, and raising income through the community café and through the sale of service user produced artwork. However, other, more immediate ways of raising income to counter reduced grant and contract funding were considered necessary. Artspace sought to introduce charges for Artspace activities, and also to adopt ‘full cost recovery’ with regards to the weekly community lunch within Artspace, which had previously been subsidised through the Big Lottery ‘Wellbeing’ income.

A consultation meeting was organised between staff and service users in September 2010. Following the consultation, it was agreed between staff and trustees that Artspace would adopt a voluntary approach to charging. This scheme, which was given the name ‘what you can’, encouraged service users to contribute a suggested £2 for each session attended<sup>40</sup>. A target of £5000 was set for 2011, and service users were regularly updated as to their progress towards this target. The initial consultation recommendations document stated that if there had not been enough progress towards the target after six months, then formal charges would be introduced. In summer 2011,

<sup>40</sup> The Alzheimer’s art group is the exception, which had involved a formal charge of £5 for a two hour session. This is because of the high level of individual support attendees received from trained practitioners.

a further consultation meeting was arranged, discussing the need to introduce ‘full cost recovery’ on the weekly community lunch. Full cost recovery was implemented following the consultation meeting, and resulted in a substantial increase in the cost of the lunch<sup>41</sup>.

While the ‘what you can’ scheme had several ‘teething problems’ in the beginning, with some groups being slower to respond than others, there was still a considerable difference in the amount of money donated by each group. The activities with relaxed start and finish times, such as the community art classes, attracted few donations, though these groups also had relatively few attendees. On the other hand, the creative writing group responded well, partly because the donations box was passed around with the register sheet at the start of the session, thereby encouraging people to donate. Interestingly, the women’s walking group also responded well to the request for donations, despite one member of the group having objected to the idea of being charged at a previous consultation meeting. She had argued that the group only met at Artspace before the walk, and thus did not require the use of any space or resources within the building.

The ‘what you can’ scheme was implemented in a manner befitting an organisation with a strong emphasis on the arts. Each of the groups assisted the practitioner in making their own contributions box, constructed out of papier-mâché which was then painted. In addition, the community artist, assisted by service users, created a number of small, brightly coloured ‘people’ from wire and papier-mâché to climb the inside of the stairwell in the building. Each person signified a donation of £100, thereby enabling staff and service users to see how much money the ‘what you can’ scheme had raised in a colourful and unique way.

## **7.6: The Benefits and Disadvantages of Charging Beneficiaries**

### **7.6.1: Benefits of User Fees**

Nine out of the fifteen service users who were interviewed explicitly mentioned that they understood why Artspace had to start charging. While not being positive about these proposals, service users recognised that the organisation required money to pay staff wages, purchase materials, and cover the ‘day to day’ costs such as electricity

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<sup>41</sup> The community shared lunch (which included fruit, cheese and a cup of tea) increased from £2 to £3.50, a 75% increase. While customers could still pay £2, this only paid for soup and bread.



and water bills. In addition, service users also recognised that the need to charge was related to factors outside Artspace's control.

“Well, it's inevitable really, in the current financial climate, obviously I would rather that that wasn't necessary but I think it is.” (Interview with Gary (service user), 02/09/11)

The desire to start charging for services was not considered solely for financial reasons. It was felt by several of the core staff and trustees that it was the 'real world' and would help service users recognise that organisations such as Artspace required money to survive. This appeared to be evidence that neoliberal discourses of personal responsibility and individualism had crept into the organisation (Teghtsoonian, 2009; Whiteford, 2010).

“...there has to be a recognition that its not an entirely free lunch, and people have got to recognise that a charity does have overheads...because if people never ever contribute anything towards what they're receiving, then there might be a natural assumption that charities are giving everything away, and that's not a sustainable model...” (Interview with Graham (trustee), 14/09/11)

“I think it's this sort of culture of dependence on free services is not realistic, and I think we have to get better at recognising what things cost and where it's being paid for from” (Interview with Lauren (core staff), 24/03/11)

It was believed by several staff and trustees that by charging a 'nominal amount', service users would better appreciate Artspace's value. It was felt that the proposed charges were reasonable, and that it was important to contextualise them. For example, one staff member stated that attending a session would cost less than 'a bottle of wine or a packet of fags'. The majority of service users stated that they would still attend Artspace activities even if formal charges were implemented, suggesting that they valued the organisation and what it stood for.

“...if you're talking about two pound for an evening at [Artspace], its nothing isn't it, I mean all right you're not pissed at the end of it but you are full of spirit...” (Interview with Oliver (service user), 30/08/11)

It was also thought that charging for services was generally the rule, not the exception, for organisations offering similar activities. Staff argued that an expectation of free services was not a realistic outlook, and therefore believed that it was necessary that service users started 'taking responsibility for themselves'. As well as helping the organisation justify its decision to raise income through charging, the adoption of

normative institutional practices would likely help construct the organisation as ‘legitimate’ in the eyes of its external stakeholders (Elsbach, 1994).

#### 7.6.2: Advantages of Formal Charging over a Voluntary Donations Approach

Several staff and practitioners did not believe that the voluntary, ‘what you can’ scheme went far enough, believing that a formalised charging scheme was necessary for several reasons. For example, the implementation of personalised budgets would mean that charities such as Artspace would no longer receive a block of money with which to run services. Asking people to pay whatever they could was therefore problematic, as service users in receipt of direct payments would be required to know the exact cost of the service to enable them to decide whether or not to purchase it. A voluntary donations scheme was therefore considered unfeasible in the long term.

Having a voluntary donations scheme was considered unfair by two practitioners, who believed that while some service users would donate the recommended amount each week, others would not.

“...but I think its too woolly...it can be potentially unfair, some person might remember each week to put in their two pound but someone else doesn’t or someone else doesn’t think its fair, everyone that arrives should know what it will cost for a session and be happy with it...” (Interview with Barbara (practitioner), 17/05/11)

The informal nature of the donations scheme also meant that on several instances, the practitioner forgot to bring down the ‘what you can’ donations box from the upstairs office where it was stored. In other instances the box had been placed on a table near the group, but the practitioner forgot to encourage service users to donate, therefore not maximising the amount of money the organisation could have raised through this scheme.

#### 7.6.3: Disadvantages of Formal Charging and Full Cost Recovery

Having a system based on voluntary donations was preferred over a formal charging scheme by most of the service users interviewed, and also by several practitioners and core staff. It was felt that asking for voluntary contributions was more in line with the organisation’s ethos, and was in fitting with people’s individual circumstances. Formal charging was seen as ‘rigid’, bringing an ‘institutional’ aspect to Artspace, thereby posing a potential threat to the positive atmosphere of the sessions.

“...I like the idea that you contribute something if you can, it feels like Artspace’s being more nurturing and accepting of people’s individual circumstances, than laying down a definite rule...” (Interview with Sarah (service user), 10/08/11)

“...I hope we don’t have to start charging people if this ‘pay what you can’ doesn’t work, I’m worried that we’ll lose the essence of what we’re about somehow...” (Interview with Tracey (core staff), 06/04/11)

Although the majority of attendees donated the suggested £2 per session, those who stated that they could not afford this amount appeared comfortable saying so, even when participating in classes such as creative writing, where the act of donating was highly visible. There was no evidence to suggest that those who did not donate were stigmatised or treated differently by those who did. Nevertheless, the anonymous nature of the ‘what you can’ scheme was considered by beneficiaries to be one of its main advantages.

“...people seem quite comfortable with it, I haven’t really heard anybody complain about it, and because it’s anonymous, you could put 10p in one week, you could put nothing in the next week, the week after you could put two pounds in, I think it’s great, I think it works...” (Interview with Tracey (core staff), 06/04/11)

One of the practitioners believed that in the past, some service users had responded more favourably to a request for donations than to a set charge. She highlighted the fact that Artspace had received more financial donations unconnected with the ‘what you can’ scheme ever since it emphasised its challenging financial circumstances to its beneficiaries. One woman donated £250 of her own money to Artspace after becoming aware of the organisation’s financial situation.

There was the recognition that service users could be deterred from attending both the community lunch and the individual activities if the cost was too great. While the suggested charge per session was considered reasonable if someone was attending once a week, for those who attended more frequently, it was felt that the cost would soon mount up. Three service users stated that they may attend less frequently as a result.

“Well I’d still be able to do it but I don’t know about how it would affect people who were strapped for cash basically, I think it would make a barrier towards people being able to always come, and I’d certainly think twice myself about coming more than once or twice to do things because again it would add up...” (Interview with Hayley (service user), 23/08/11)

The dynamics of the organisation could be affected if service users were deterred from attending because of formal charges. For example, one service user

expressed fears that it would become a place attended solely by ‘middle class’ people. A practitioner highlighted the difference between those who attended the paid courses run by the council within the building, and those who attended her weekly community art class. She felt that the former group included people who were mostly retired with disposable income, whereas the latter group was comprised of vulnerable individuals in poorer circumstances. Other staff and practitioners acknowledged the possibility that a formal charging policy could result in Artspace being dominated by people with disabilities, with the organisation thereby losing its community focus. While those in receipt of benefits could use their personalised budgets to purchase services, those not in receipt of any support may be deterred from attending if required to fund services themselves.

Two core members of staff believed that if the Artspace activities were run according to their cost effectiveness in future, then those attended by fewer beneficiaries may have to be cancelled.

“I think the danger for us is certainly with the personalisation route is that we won’t get enough people coming to any one session that will pay for the cost of that session so that’s the greatest risk I think we face, is that without that certainty of enough people coming, to know whether or not we can make a session happen” (Interview with Yvonne (core staff), 04/05/11)

Such cost-cutting measures had already occurred within the organisation. A group was discontinued after it was calculated that it cost almost £40 per person per attendance, which included staff and infrastructure costs. This was despite the group winning an award in 2009 for the best exhibition in a local museum, and being highly appreciated by its members, who expressed disappointment at being told it would end. Artspace staff admitted that with ‘few exceptions’, it was difficult to achieve full cost recovery in the art sessions, given the tutor to trainee ratio, the typical numbers of beneficiaries involved, and the time and resources required to coordinate and advertise these sessions. It was felt that the charges necessary to achieve full cost recovery would likely not attract enough people unless they either had a large number of attendees (thereby keeping individual costs low), or if the courses were specialist and not available elsewhere, and as such, had a low ‘elasticity of demand’ (O’Hagan, 1995).

Another challenge of formal charging concerned the ‘grey area’ that existed between volunteers and service users. Practitioners highlighted the fact that some of the sessions, such as the cookery class or the pantomime scenery making workshops,

were based around attendees providing a service to Artspace. This posed a dilemma as far as charging was concerned. Even though attendees were personally benefiting from the activity, they were still assuming a voluntary role in these situations.

“...I don’t really feel happy with asking anyone that’s cooking to contribute...I don’t find it particularly relaxing making the meal and they might be having a nice chat which is therapy and all the rest of it, but they are still providing a service rather than a relaxation session for them...” (Interview with Barbara (practitioner), 17/05/11)

## **7.7: The Impact of Charging and Full Cost Recovery**

### *Managing Impacts to Organisational Legitimacy*

Artspace staff drew upon ‘impression management’ techniques when discussing the need to introduce user fees and full cost recovery with service users, recognising that these decisions could prove unpopular. To minimise negative effects on legitimacy, staff utilised both excuses and justification, claiming that a need for change was induced by external pressures (excuses) and that change was required to enable the continuation of a high quality programme of activities (justification). Artspace staff reiterated that funding opportunities were limited, that formal charging was inevitable because of a move to personalised budgets, and that the organisation had been compelled to seek income through full cost recovery and user charges in order to survive.

However, at the same time, staff and trustees believed in the importance of conversation, consultation and dialogue with service users, especially concerning important changes such as the proposals to charge service users. The consultation meetings with service users occurred at a time and place so as to involve as many people as possible. Service users were also able to submit their ideas in writing, with staff and practitioners being happy to listen informally to people’s opinions at any time.

“...as ever it’s always the engaging with people in the conversation and sort of talking to them about what the problem is and getting everybody thinking about it...”  
(Interview with Susan (core staff), 31/03/11)

Consultation with service users appeared to pay more than just ‘lip service’ to their views, with a genuine sense of dialogue between service users and staff emerging. Staff and trustees discussed their hopes of coming to an ‘agreement’ regarding the issue at hand, and were also willing to listen to service users’ concerns even after proposals had been implemented.

For example, following the implementation of full cost recovery on the community lunch, fruit and cheese, which originally sat on the main dining tables, was moved to another table where it was collected and paid for separately. Following this decision, one service user objected to the changes, arguing that the lunch, which had once been a ‘banquet’, now felt more like a ‘cafeteria’. As well as spoiling the atmosphere of the lunch, it was felt that this practice had compromised the organisation’s trusting ethos somewhat, and directly contradicted the original visions of Artspace as an organisation that trusted its service users to do what they thought was right. While the new pricing structure was maintained, staff acted on this comment and returned all the food to the dining tables, suggesting that such comments had been taken seriously. One prominent member of staff had previously stated that any decisions the organisation made were not ‘set in stone’, but could be ‘tweaked’ or ‘adjusted’ depending on the circumstances.

The need for ‘getting it right’ was considered to be important within an organisation that had a somewhat fragile relationship with service users at times. Examples of this fragility were noted on several occasions. A service user in one particular group felt that it could potentially meet in another community location if Artspace started charging an amount which was deemed to be too high. Thus individuals within the group could potentially ‘bargain’ with Artspace to keep the charges low. Staff were aware of the importance of remaining on positive terms with all their beneficiaries, some of whom were considered to be ‘powerful community members’ who could potentially damage the organisation’s reputation if they ever became upset.



*Figure 7.2: Artspace regularly updated service users about the total amount of money donated*

Despite not meeting the £5000<sup>42</sup> voluntary contributions target for 2011, Artspace did not implement a formal charging scheme, even though many staff and practitioners believed that the voluntary donations approach was not viable long term. Because of its potential effects on its beneficiaries, and therefore on the organisation's legitimacy and reputation, Artspace staff and trustees believed that it was hugely important to 'get things right' regarding the future charging of service users. Staff believed that a charging scheme should not price anyone out of attending, yet should also not discriminate between individuals or sessions. One plan that was proposed was for Artspace to adopt a ticketing scheme, whereby service users could 'earn' tickets for sessions through volunteering.

"...the thoughts I had around either tokens or membership; how people obtain those tokens is worked out with each individual, so if an individual comes that can't pay five pounds a session, I can only pay two pounds a session, but I'm happy to do that and you help make soup, chop vegetables or whatever..." (Interview with Yvonne (core staff), 25/05/11)

Meeting all these criteria, was, however, considered to be a very difficult and delicate task owing to the time requirements of implementing such a scheme. Despite

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<sup>42</sup> This figure, in the words of the finance officer, had been 'plucked from the air'. In retrospect, she believed that it may have been set too high.

this, Artspace had successfully been able to put innovative and person-centred ideas into reality in the past. It is therefore likely that should charging be formalised at some point in the future, staff would put considerable effort into ensuring that any scheme was both fair and workable.

### *Tensions between Employees*

As with organisational restructuring in general, the issue of charging user fees and full cost recovery led to tensions developing between practitioners and staff, who held opposing views on how Artspace should position itself. Organisational decisions to pursue both economic and social goals “requires a change in mindset at all levels”, and can often result in “strategic and inter-personal conflicts” (Russell and Scott, 2007: 6). The imposition of user fees has been specifically identified as one source of tension between third sector employees (Spear et al, 2009).

While placing more of the financial burden upon beneficiaries was generally seen as necessary in a time of uncertain funding, some staff members were unhappy with the way that the problem had been both framed and implemented. While, during the consultation sessions, staff framed the need to increase the cost of the community lunch as something inevitable and non-negotiable, one of the long-term staff members opposed to the introduction of full cost recovery in the community lunches felt that this subsidy could have been maintained. In previous years the organisation had legitimately been able to move ‘a few pounds’ from here to there without any issues<sup>43</sup>. The staff member in question was of the opinion that the subsidy required for the lunch was ‘next to nothing’, and considered the provision of an affordable social lunch to be an important aspect of the organisation’s ethos. There were concerns that people would purchase food from one of the several fast food outlets in the town if the lunch became unaffordable, thus leading to a failure of one of Artspace’s social goals.

While some staff members believed that rules, notices and regulations should be minimal, and should seek to maintain Artspace’s ethos as being based around trust and participant freedom, others believed in efficiency and the maximisation of resources. For example, following the initial agreement that cheese and fruit be paid for individually and kept on a separate table, one member of staff circulated an email

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<sup>43</sup> This practice is known as ‘resource shifting’, or “the process by which organizations use discretionary funds to keep the internal balance of activities as closely aligned to the ideal balance as possible” (Alexander, 1996: 806).



to other members of staff outlining the new price structure. The email mentioned that while people would cut their own cheese at first, it also stated that if the amounts they took were considered to be ‘disproportionate’, then the cheese would in future be served ‘pre-sliced’.

However, such a ‘compartmentalist’ approach was considered by others to be overly bureaucratic, a potential source of conflict, and in direct conflict with the view that Artspace should remain ‘organic’, disordered, and somewhat spontaneous.

“...if we do this to everything, we chop it all up into small bits and trying to make each bit cost, and we need to know where the money’s coming from, we’re losing the flow of kind of trust between people, which we need, and that’s what makes Artspace work...I don’t wanna go down to needing to know the price of every tiny little lump of cheese, it’s like where do you stop when you do that?” (Interview with Susan (core staff), 23/08/11)

Interestingly, after the decision had been made to return the cheese and fruit to the tables, one staff member believed that this development offered a ‘creative space for deceitfulness’ for those who wanted to eat food that they hadn’t paid for. Not only did this particular member of staff recognise the opportunities for dishonestly available to service users, they also did not appear concerned about the possibility of it actually occurring.

Other staff members appeared to take the participant charges lightly. Following the implementation of full cost recovery on the lunch, practitioners were told not to bring cups of tea to the table as they had done in the past, because tea was no longer included in the price of the lunch. Instead, service users would collect and pay for a cup of tea in the kitchen end of the room. However, one practitioner still continued to bring cups of tea to service users even when they hadn’t paid, stating that she did this to ‘maintain the positive atmosphere’ of the community lunch.

On another occasion, a practitioner told one of the more vulnerable service users to put ‘whatever he could’ into the tea/coffee money box when paying for a cup of tea, not wanting to potentially upset him by demanding that he pay the correct money. These were both instances where contested management-driven changes had been resisted or ignored by frontline employees (de Zilwa, 2007). To these members of staff, a desire to maintain a positive, caring, and welcoming ethos overrode formal charging procedures.

### *Financial Challenges as Encouraging Lateral Thinking*

Innovation within organisations occurs as a means of responding to new conditions, or to meet new or emerging needs (Chew and Lyon, 2012). Third sector organisations are commonly associated with innovative practices, having the ability to locate solutions to local problems, identify suitable funding, and develop relationships and partnerships with a wide range of organisations (Russell and Scott, 2007). Social enterprises are not particularly innovative in the sense of developing completely new products or services, but they are innovative in their ability to provide solutions to local problems (McLoughlin et al, 2009; Peattie and Morley, 2008; Tillmar, 2009). The adoption of social enterprise activity is considered innovative in itself, and can help an organisation adapt to funding challenges and diversify its sources of income (Chew and Lyon, 2012).

The financial challenges faced by Artspace encouraged thinking in lateral ways, as staff sought to balance the partially competing needs of raising enough income to survive whilst maintaining organisational legitimacy. While user fees and full cost recovery initially helped the organisation respond to immediate financial challenges, staff also recognised its potential negative impact upon legitimacy, and therefore sought to locate solutions to this new problem.

The charging debate prompted discussions between staff and service users as to how Artspace could raise money through other means. Through beneficiary-staff collaboration, a number of suggestions were outlined, which included the presence of a prominent donations point and small scale fundraising through raffles or jumble sales. It was suggested that people could bring their own food to the community lunch, thereby helping to keep costs down. It was felt that this would also reinforce Artspace's reputation as an organisation built upon reciprocity and sharing. Some of these ideas were successfully put into practice. A Christmas raffle raised £400 for the organisation, with a further £100 being raised through the sale of service user produced craftwork.

Service users, while largely being wary of formal charges, were still happy contributing towards the running of Artspace in non-financial ways.

“...a lot of people are givers, but in a different way, whether its time, or they particularly like one project, so they give more help towards that than doing their own personal work, helping wash up, keeping tidy, taking washing home, digging the garden...” (Interview with Steph (practitioner), 12/04/11)

However, at the same time, reciprocity has its limits, with projects requiring more than voluntary support and goodwill to survive (White, 2009). One staff member argued that Artspace required money to heat and light the building, and that it wasn't possible for it to offer a work of art, or a specific service to the electricity company, as payment for its electricity bill.

“...much as we would love to extend the lateral nature of the work to the point where we didn't need pound sterling, but could make everything happen with various other kinds of stimuli than money, the brutal fact is we do need pound sterling because we have a lift to maintain...” (Interview with Scott (core staff), 10/02/11).

While innovative practices therefore could not solve all of Artspace's problems, they still played an important role in contributing to its success. In some respects, Artspace was required to be innovative in all aspects of its practice to survive. As the organisation operated within a small community, with relatively low numbers of service users, it was required to look out for emerging gaps and opportunities, rather than simply 'rest on its laurels'. Indeed, it was believed by one long-term staff member that it was precisely when the organisation got 'set in its own ways' that it experienced difficulties concerning both its financial stability and overall direction.

### **7.8: Discussion**

The challenge of raising money through beneficiaries was an example of the tensions facing charities with competing financial and social objectives. Third sector organisations have often implemented income-generating activities to diversify their income and avoid the risk of 'mission drift' in the direction of the state (Jones, 2007). However, on the other hand, focussing on earned income can result in mission drift in the direction of the market, with an increased emphasis on business principles often impacting negatively on an organisation's ethos and working practices (Spear et al, 2007). While increased user charges can bring some much needed income to an organisation, this paper has shown that such a move brings with it a new set of challenges. Charging may impact negatively upon an organisation's accessibility, and may result in reduced organisational legitimacy.

Artspace's decision to adopt social enterprise activity was made for both reactive and proactive reasons. The implementation of informal charging and increases in the cost of the community lunch was reactive in response to unexpected cuts in social service income and short term funding uncertainty. Here, reactive behaviour was

to be expected given the comparative importance of statutory funding to Artspace (and many other organisations like it) with the organisation being required to make up an immediate shortfall in income.

On the other hand, its broader range of potential social enterprise activity, which including the development of its own outcomes monitoring tool, and its desire to become a training provider for arts and health work, was proactive in the sense that Artspace had attempted to diversify its income streams, and avoid being influenced by its statutory funders as it had been to some extent in the past. However, staff recognised that adopting strategic social enterprise activity required time; a recognised stumbling block to charities seeking to diversify their sources of income (McBrearty, 2007). Nevertheless, the fact that third sector organisations can and do implement successful commercial activity is evidence of their ability to respond to uncertainties in the institutional landscape (Smith, 2010).

While many organisations put time and effort into maintaining accountability with their funders, it has also been stressed that they should always maintain accountability towards those that they seek to benefit (Laratta, 2009a). In some sense, all organisations, whether based in the private, public, or third sectors, are ethically obliged to respond to the claims of any stakeholders who are negatively affected by any organisational decisions that they did not play a part in influencing (Freeman, 1984; Laczniak and Murphy, 2012). For third sector organisations in particular, maintaining a positive relationship with beneficiaries is essential, as it is the community focus of such organisations that provides them with the legitimacy necessary for them to survive (Ospina et al, 2002).

Social enterprises have been praised for their ability to consult their users over how they are run (Amin et al, 2002). Despite undergoing modernisation and professionalisation, Artspace maintained its reputation as an organisation willing to listen to the needs of its users. The fact that service users understood the need for Artspace to raise income through additional means suggested that staff had managed to provide a sincere and believable justification for user fees and full cost recovery on the community lunch (Elsbach, 1994). Returning the fruit and cheese to the tables, following remarks by one of the service users, was evidence that the organisation was always seeking to 'get things right', even after the implementation of changes. Here, Artspace staff recognised the importance of maintaining an ethos based on trust,

reciprocity and cooperation, as a means of negotiating any tensions between it and its internal stakeholders.

From an impression management perspective, the concerns raised by service users regarding the atmosphere of the community lunch was evidence of a discrepancy between a desired and actual organisational identity, whereby the reaction from the ‘audience’ was not quite as expected (Bozeman and Kacmar, 1997). To rectify such situations, organisations may utilise identity protection activities, defined as the “strategies and behaviours directed toward the prevention of damage or harm to the actor’s social identity in the eyes of the target” (Bozeman and Kacmar, 1997: 18). In Artspace’s case, this was the decision to listen to beneficiaries and return the food to the main dining tables. Organisations are more likely to successfully maintain legitimacy when they attempt to address any negative issues associated with organisational decisions (Elsbach, 1994). Nevertheless, successfully maintaining trust may always remain a challenge for third sector organisations undergoing modernisation, as the growth of professionalism can directly conflict with the altruistic nature of charities (Dart, 2004b; Fenton et al, 1999).

The objective for organisations which introduce user fees is to ensure that they remain accessible to any individuals who could potentially benefit from their services. Artspace staff appear to have done as best as they could in difficult circumstances, with the ‘what you can’ scheme generally helping to bring money in from those who could afford to pay, while maintaining access for those attendees who were less well off. While beneficiaries did not meet the arbitrary donations target, staff still remarked on just how much money the organisation had been able to raise through this entirely voluntary scheme. In contrast to formal charges, the nature of the ‘what you can’ scheme did not originate from the ‘market’, but instead, built upon Artspace’s ethos of reciprocity, social capital, and mutual support. Third sector organisations find voluntary donations to their cause to be favourable; not simply because it provides them with valuable income, but also because it acts as an indication of organisational legitimacy (Fogal, 1994).

Artspace’s decision to continue the ‘what you can’ scheme and to restore the nature of ‘trust’ with regards to the Tuesday community lunch suggests that it is aware of the somewhat delicate nature of its relationship with its beneficiaries. Artspace’s decision to postpone the implementation of a formal charging policy can be explained through the concept of legitimacy. Staff recognised that should service users be

deterred from attending, the organisation may be viewed in a negative light within the community. It may also find it harder to prove to funders that its services are both needed and valued. Organisations may choose to make decisions or adopt certain structures that are 'sub-optimal' to their aims if wider legitimacy happens to be at stake (Hargreaves, 2003).

### **7.9: Conclusion**

This chapter has shown that organisations can successfully manage financial challenges by adopting user fees whilst simultaneously maintaining legitimacy with beneficiaries. While the implementation of a charging policy can potentially impact upon an organisation's relationship with its beneficiaries in a negative way, organisations can negotiate these tensions by monitoring any reactions to controversial decisions, and by responding to any concerns in a timely and sensitive way. Organisations are more likely to successfully maintain dispositional legitimacy when they portray themselves as having the best interests of their beneficiaries at heart (Suchman, 1995).

It is therefore possible for an entrepreneurial ethos to simultaneously exist with an ethos based on care and individual support, yet managing these partially competing demands can be a difficult and time-consuming process for third sector employees. While strategies such as 'impression management' can enable organisations to justify and explain major changes to their practice and procedure, there is also the risk that some beneficiaries may not be convinced by any accounts provided, further threatening organisational legitimacy. However, the potential for a loss in legitimacy may encourage organisations to respond to the original issue in new and innovative ways.

## **Chapter 8: Artspace, Inclusion and Social Capital**

### **8.1: Introduction**

Social enterprises, by their very nature, focus on the creation of social value rather than shareholder wealth (Zadek and Thake, 1997). They have been praised for their ability to challenge social exclusion and promote social inclusion in a multitude of ways. They offer employment to disadvantaged communities (Amin et al, 2002), assist with the creation of social capital (e.g. Bridge et al, 2009), encourage participation in the running of the organisation and the wider community (e.g. Amin et al, 2002; Smallbone et al, 2001), and promote interaction between beneficiaries from different backgrounds and circumstances (Laville and Nyssens, 2001).

Artspace always had a strong focus on improving the wellbeing of those who were disadvantaged or excluded. While it obtained a large percentage of its income from social services to provide services for people with mental ill health, it never formally adopted the identity of a mental health or disabilities-based organisation. Artspace's inclusive way of working therefore had considerable relevance to the previous Labour government's strategy of challenging social exclusion and promoting inclusion.

Organisations with a caring ethos, based on a positive and welcoming atmosphere, may be capable of attracting a diverse range of beneficiaries. However, at the same time, attempts to be as inclusive as possible can be at odds with other competing demands. For example, funders or other stakeholders may often desire that an organisation operates in a certain way, the consequences of which may be reduced legitimacy elsewhere (Suchman, 1995). In addition, expectations that organisations should be 'professional' may stifle or discourage less formal ways of working. While organisations can strategically attempt to manage challenges to their inclusive ethos, some degree of compromise may at times be necessary.

This chapter critically examines the challenges that organisations may face when attempting to be as inclusive as possible, identifying and discussing potential threats to accessibility. It begins by introducing the concepts of social exclusion, social inclusion, and social capital, discussing their relevance to social enterprises, arts and health organisations, and the third sector in general. It then investigates how Artspace's accessibility has been challenged, before identifying and discussing how the organisation responded to these challenges.

## **8.2: Social Exclusion and Social Inclusion**

An individual was considered by Burchardt et al (2002b: 30) to be socially excluded “if he or she does not participate in key activities of the society in which he or she lives”. Social exclusion is associated with a multitude of factors, including poor access to the labour market, limited personal and educational skills, an experience of discrimination, the inability to participate in democratic structures of society, and poor transport links (Teasdale, 2009).

There have been various suggestions as to how social exclusion can be challenged, with Viet-Wilson (1998) outlining two main approaches – the strong and the weak form. The strong form focuses on how people can become excluded in the first instance, and attempts to find solutions to reduce this inequality. Proponents of this form argue that opportunities are constrained for individuals and groups as a result of dominant institutional or economic structures (Burchardt et al, 2002a).

The weak form, on the other hand, is largely concerned with changing the excluded group so that it becomes part of the mainstream, essentially placing the onus on the individual to become less excluded. The weak form of tackling social exclusion is dominant in social policy discourse, which, in recent years, has moved from seeking to prevent social exclusion towards actively encouraging the inclusion of marginalised individuals into mainstream society (Levitas, 2005; Spandler, 2007). Particular attention has been paid to groups that previously had their own ‘segregated’ services; for example, those attending mental health day centres, who were considered not to have benefited from ‘stronger’ policies which directly challenged discrimination and exclusion (Rankin, 2005; Social Exclusion Unit, 2004).

It has been suggested that social inclusion and social exclusion should not be seen as being the opposite ends of a single spectrum, but as two completely separate dimensions (Secker et al, 2009). Exclusion is linked with structural barriers in society, whereas inclusion is related to positive attitudes towards marginalised groups (Hacking et al, 2006). For example, although a person with a disability holding employment within mainstream society is often not considered to be socially excluded; if they experienced discrimination in the workplace they would not be socially included (Secker et al, 2009).

It was suggested that social inclusion can only occur when several conditions are met (Aubry and Myner, 1996). These are physical integration, or participation in



the wider community without any barriers; social integration, or the possibility of social contact between marginalised individuals and the wider community; and psychological integration, or an individual's sense of belonging.

### *Criticisms of Social Inclusion*

The discourse of social inclusion is one particular facet of government rationality. It is concerned with controlling and regulating the conduct of the population and how individuals should act and behave (Morison, 2000). As with other forms of governmentality, social inclusion is framed as being “self evidently desirable and unquestionable” (Spandler, 2007: 3), with current discourse pathologising those who do not desire mainstream employment or wider participation within society (Gleeson and Kearns, 2001; Milbourne, 2002; Spandler, 2007). Concepts such as ‘dependence’ or ‘institutionalisation’, are usually constructed in negative terms<sup>44</sup>, and are directly opposed to the ideal of ‘independence’, which is often associated with paid employment (Spandler, 2007).

Society is often portrayed as being unproblematic, with active participation framed as something that can benefit health, wellbeing, and standards of living. In reality, however, people may become marginalised or excluded as a direct consequence of modern life (Spandler, 2007). Despite these concerns, it is difficult to critique the notion of social inclusion, as it is framed as a human right; something which everybody should have access to (Spandler, 2007).

Current approaches to the promotion of social inclusion have been criticised for their focus on physical integration, with limited consideration of any barriers to social and psychological integration (Allin, 2000). These approaches take the onus away from societal and government failings (Bates and Davis, 2004; Viet-Wilson, 1998); instead, placing responsibility on the excluded individual to actively become more integrated with mainstream society (Levitas, 2005).

Critics have also argued that the social inclusion approach largely focuses on improving the lives of those capable of independent living within mainstream society, to the detriment of those who are severely disabled or incapable of participating in the labour market (Blackburn and Ram, 2006). Employment is often portrayed as an ultimate goal, thereby undermining the other ways that people can contribute to society

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<sup>44</sup> This can be explained by the drive by successive governments to reduce welfare spending and increase productivity in response to the rising costs associated with illness, disability, and old age (Spandler, 2007).

(Faiers, 2004). While Spandler (2007: 3) agrees with the “progressive impetus” behind the social inclusion approach, she believes that it has been “too readily embraced as a policy imperative”, and that its negative consequences have been overlooked. She argues that social inclusion is a way by which the lives of vulnerable groups of people can be subjected to regulation and control, and believes that it could be imposed on people for their ‘own good’.

### **8.3: How Social enterprises can Challenge Exclusion and Promote Inclusion**

Social enterprises can challenge social exclusion and promote social inclusion as defined by the state in three main ways (Smallbone et al, 2001). Firstly, they often operate in areas of ‘market failure’, which are considered unviable by the private sector (Borzaga and Defourny, 2001). Secondly, they often recruit disadvantaged individuals by offering employment opportunities within the communities that they serve (Amin et al, 2002). Thirdly, they play a considerable role in the economic development of disadvantaged communities (Smallbone et al, 2001), helping to increase networking opportunities and levels of ‘social capital’ within these areas (Bridge et al, 2009).

The ability of both social enterprises and arts and health organisations to bring communities together suggests that they do not simply challenge social exclusion, but can actively assist in the inclusion of marginalised individuals by encouraging participation in mainstream employment, educational, and cultural opportunities (Johnson et al, 2011; Social Exclusion Unit, 2004). While community arts and health projects often engage vulnerable or hard to reach groups, they also work with a broad cross-section of the population (Hacking et al, 2006; Johnson et al, 2011). Projects are highly accessible, with self-referral being one of the most common means of entry (Hacking et al, 2006). They are flexible, not requiring a minimum number of people to participate (Anwar McHenry, 2009), and offer multiple opportunities for engagement. In addition, arts and health projects are democratic in nature, providing opportunities for networking, self expression, and participation in the running of the organisation (Allan and Killick, 2000; White and Angus, 2003).

#### *Social Capital*

Both social enterprises (e.g. Bridge et al, 2009) and arts and health organisations (e.g. Torjman, 2004) can foster trust and reciprocity amongst service

users, leading to increased levels of ‘social capital’ within their communities. While physical capital refers to material items and resources, and human capital is associated with the unique skills and personal attributes held by individuals (Putnam, 2000), social capital is concerned with connections and networks between people, “and the norms of reciprocity and trustworthiness that arise from them” (Putnam, 2000: 19).

Social capital can be bonding, bridging and linking in nature. Bonding social capital refers to the links that can be built between people of a similar nature, and was described by Putnam (2000: 22) as “sociological glue”, which is “good for undergirding specific reciprocity and mobilizing solidarity”. Bridging social capital refers to the links that form between socially heterogeneous groups. This can “generate broader identities and reciprocity”, and was described as being akin to “sociological WD40” (Putnam, 2000: 23). Related to bridging social capital is the concept of linking social capital, defined as the relations between people in different social strata (Cote and Healy, 2001). While ‘bridging’ social capital is more important to the concept of social inclusion, bonding social capital is one way that ‘distance can be travelled’ towards other outcomes (Putnam, 1995), being an initial yet hugely important step to somebody who is fearful of interacting with others (Hacking et al, 2006).

Various benefits have been attributed to high levels of social capital, including feelings of belonging, greater democratic participation, and improved health and wellbeing (e.g. Campbell et al, 1999; Ferguson, 2006; Putnam, 1995, 2000; Wilkinson, 1996). Social capital plays a considerable role in the development of trusting relationships (Cote and Healy, 2001), and may also raise awareness of the needs of others within the community (Putnam, 2000). High levels of social capital are linked with educational attainment in children, safer neighbourhoods (Putnam, 2000), and can help communities build resistance to economic challenges (Woodhouse, 2006).

Although the concept of social capital has assumed increasing importance amongst policymakers and academics in recent years (Bates and Davis, 2004), it may also be used by the government as an excuse to avoid welfare spending (Campbell, 2000) or to ignore rising income inequality (Morgan, 2001). In some ways, the concept of social capital can be criticised in much the same way as the concept of social inclusion, placing the responsibility on the individual to participate in his or her community (Levitas, 2000). Bonding social capital may also have a ‘dark side’, in that it can foster internal cohesion and group loyalty while remaining closed to outside influences (Hampshire and Matthijsse, 2010; Putnam, 2000). Social capital is therefore

not always positive in nature, with many criminal or extremist groups having high levels of the bonding variety (McKenzie et al, 2002).

Nevertheless, social capital has particular importance to marginalised individuals and communities, who typically experience both low levels of human capital (in the form of educational achievements and qualifications) and economic capital (Putnam, 2000). Jenkins et al (2008) found that the most significant difference between people of working age with mental ill health and those without was the degree of social participation. While arts and health initiatives aimed at specific groups, such as those experiencing poor mental health, may lead to bonding, rather than bridging social capital, many projects are desirous to extend their reach to the general population (Secker et al, 2007). This can bring communities together and enable them to celebrate their history and heritage, thereby helping to foster civic pride (Better Together, 2000).

#### **8.4: Artspace: A Socially Inclusive Organisation**



*Figure 8.1: A large percentage of Moughton's population either participates in or observes the annual lantern procession*

Artspace's community focus encouraged social inclusion between marginalised or excluded individuals and the wider public. Although the organisation obtained a large percentage of its income to run services for people with mental ill health, classes were non-segregated, and many activities were based around cooperation and collaboration. Artspace also believed in the importance of community celebration, with

events such as the annual lanterns procession fostering civic pride and drawing the community together (figure 8.1).

Artspace both drew upon and contributed to social capital within the local community. It drew upon the generosity of the community when a building was obtained to house the original project, being reliant on financial and voluntary support to obtain furnishings and ensure that it opened to schedule. The high levels of social capital and networking within Moughton was one of the main reasons why Susan and her husband elected to relocate there in the first place. While Artspace contributed to both bonding and bridging social capital through its own activities, its survival and continued prosperity was undoubtedly assisted by the fact that the organisation itself drew upon existing social capital within the town.

Artspace was successful in attracting a wide cross-section of the local community, which was largely related to two main factors: the positive and welcoming atmosphere created and sustained by staff and practitioners; and the organisation's inclusive policies and positioning. These two factors relate to a broader theme concerning Artspace's unique and caring ethos and philosophy, which it successfully maintained throughout its history. However, Artspace also experienced a number of challenges to its inclusivity, based on a number of factors including stakeholder demands and difficulties of access for new service users.

While staff sought to recognise and respond to these challenges, it appeared that it was impossible for Artspace, or indeed, any organisation like it, to be fully inclusive. Organisations seeking to maximise their remit and benefit a wide range of people, whilst also managing a myriad of other challenges related to survival and maintenance of legitimacy, may find that compromises have to be made.

#### 8.4.1: A Positive Atmosphere

The positive atmosphere sustained by Artspace was the most commonly cited benefit of the organisation. Three main factors lay behind its nature as a friendly, welcoming, and inclusive organisation: the pleasant built/natural environment; the relationship between the core staff/practitioners and the service users; and the role of other service users.

## *The Building and Garden*



*Figure 8.2: Dementia group artwork displayed in Artspace's South Studio*

The building itself is light, spacious and homely. It lacks the 'institutional' feel commonly associated with statutory organisations, with an absence of signs telling people what they can or cannot do. Service users' artwork adorns the walls and window ledges throughout the building (figure 8.2), adding colour and texture to what is already a pleasant, clean and practical space. Service users generally appeared comfortable when in the main building, with some people being relaxed enough to fall asleep for short periods of time on occasion.



*Figure 8.3: Artspace's homely environment*

“...it’s a fabulous building where people are warm, it’s light, it’s airy, it has a good atmosphere inside it, it’s not soulless, it’s a good feeling when you come in, so that’s a success in that much that it is, just by looking at the outside of the building, then when you come inside it seems like it’s a success as well...” (Interview with Rebecca (core staff), 04/03/11)

Staff and service users were capable of working together to create a welcoming environment, with even the old building, which was less than ideal and furnished on a shoestring, being praised for its homely nature. Although the new building was considered less accessible to newcomers than the old, with visitors being required to walk up a short flight of stairs from the entrance hall to enter the main activity room, the new building mitigated against these disadvantages to some extent. The large pane of glass in the entrance lobby allowed people to see into the main room before they entered, thereby removing an important psychological barrier.

Artspace’s wheelchair-friendly premises were also praised by one service user, who believed that other organisations providing social care were not as accessible. The idea that Artspace was ‘ahead of its time’ was not restricted to the building in which it is based, but extended to a number of areas within the organisation, including, for example, the way that staff and practitioners engaged with service users.

Artspace’s pleasant environment (figure 8.3), domestic in feel, was praised by staff and service users, and is likely to have played a role in benefiting participants’ wellbeing. There is increased recognition that the architecture of spaces of healthcare can directly benefit health and wellbeing (Lawson and Phiri, 2003), with the use of patterns, colours and natural light being increasingly implemented within hospitals (Curtis, 2004).





*Figure 8.4: Practitioners worked with the abilities of the individual*

Core staff and practitioners made service users feel welcome, and were happy to show visitors round and explain what Artspace did. Practitioners often engaged service users in friendly conversation if they happened to meet them in the street, gently encouraging them come into the building. Within the classes, service users received a great deal of support and empathy, and remarked that they were ‘built up’ rather than ‘put down’. Practitioners worked according to the individual’s abilities (figure 8.4), and never imposed particular ways of working.

“...in the memory loss group, there are some people who have visual disturbance, difficulties in perception, there are some people whose fine motor skills are compromised...what I seek to do, for everybody, is not only work out what their content is, but also work out what methods suit them...” (Interview with Jennifer (practitioner), 05/04/11)

On a number of occasions, a service user would engage with the artwork almost reluctantly, but cheered up considerably after experiencing support, encouragement and praise from a member of staff. Practitioners utilised a number of tactics, for instance, dividing up tasks amongst service users according to ability and preferences, so that nobody felt left out. In addition, practitioners always attempted to remain aware of the particular dynamics of a class, ensuring that vulnerable individuals were comfortable at all times.

Service users appeared comfortable engaging in conversation with core staff, and the office space at the top of the building was never ‘out of bounds’ to service



users, who were happy to drop in from time to time. Service users and practitioners remarked that this ability to talk with staff at any time contributed to the relaxed and inclusive atmosphere. Traditional services are based around ‘vertical’ relationships, within which staff hold power and influence over beneficiaries (Riddell et al, 1999). Institutional settings have been criticised for maintaining social hierarchies and inequalities (Gillespie, 2002), which may negatively affect people’s recovery (Manning, 1989). Despite undertaking organisational restructuring in recent years, Artspace staff still spoke of their desire to foster relationships that were more ‘horizontal’ in nature.

“...the thing that strikes me about Artspace that’s different from other places is the atmosphere, the staff, it’s not patronising, there’s not an ‘us and them’ thing going on, ‘oh you’re the well ones, you’re the sick ones’, its like a slice of society, but the best kind of slice of a community where everybody’s accepted and I think that comes from the top down...” (Interview with Ruth (practitioner), 29/06/11)

In many cases, both staff and practitioners ‘went that extra mile’ to help people. For example, a local service user stopped attending Artspace after experiencing problems in his personal life. While staff argued that their ability to intervene was limited in this instance, they still attempted to stay connected with him in small ways. As this particular individual had been heavily involved with a particular group, staff were careful to include what this group had been doing in any articles to the local community newsletter, thus indirectly keeping him updated. Also, despite making it clear that Artspace was not a counselling service, both core staff and practitioners took time out from their work to have a quiet chat with any service users that appeared distressed or upset.

The presence of friendly practitioners and a broader ‘ethos of care’ undoubtedly helped maintain a relaxed and friendly atmosphere for vulnerable service users. Gesler (2003) argues that a ‘healing environment’ comprises more than natural or built elements, but also involves a social aspect, related to practices such as the interactions between practitioners and service users. Conradson (2003), who witnessed caring and person-centred care within a community drop-in centre in Bristol, interpreted his observations by drawing upon the person-centred approach of Carl Rogers, a humanistic psychologist who believed that meaningful change could occur provided that the correct, nurturing conditions were in place (Conradson, 2003; Nelson-Jones, 2001). To enable this to occur, the therapist needed to show congruence,

or the willingness to engage openly with the client; unconditional positive regard; and empathic warmth (Conradson, 2003).

Core staff and practitioners within Artspace helped to construct a similar caring ethos, even when undertaking structured tasks such as assessment and monitoring. Service users experience higher rates of wellbeing when provided with the opportunity to communicate their thoughts and feelings (Williams and Irurita, 2004). It was believed that an understanding of client needs, a display of positive feelings, and being open in conversation were all seen as necessary when constructing a truly therapeutic relationship between clients and workers (Andrews and Evans, 2008; Lauder et al, 2002).

However, maintaining a positive relationship between practitioners, staff and service users may sometimes involve techniques considered 'risky', potentially resulting in an overstepping of professional boundaries concerning staff conduct. One service user recalled how he only started attending Artspace after a practitioner, whom he had known to some extent beforehand, visited his house and convinced him to come along. On occasion, staff members used touch to comfort service users. One woman in a state of anxiety was comforted with a hug by one of the core staff members. While there was awareness that such techniques could challenge professional boundaries; there was also the recognition that they could be extremely useful in resolving tensions, with touch being an extremely effective way of getting onto somebody's 'wavelength'.

“...so what happened to us once is that this woman stormed out, she'd obviously always done it...and I ran out and I grabbed her, and I asked her to come back in again, and I physically held her arm, said, you've got to come back in, and how aware you are that you're not meant to be touching people, it's a dodgy, dodgy action to do, but that was just my instinctive reaction, that I needed to do something about it...”  
(Interview with Susan (core staff), 26/07/11)

While the close relationship between staff and service users can help to defuse tense situations, there is also the very real possibility of staff being accused of assault or misconduct<sup>45</sup>. The dangers of a close and informal relationship occasionally became apparent in other ways. For example, one of the practitioners used to give a service user a lift to Artspace in her car. However, after being unable to contact her and tell her that this wasn't possible on one occasion, the service user in question became upset. After reflecting on the incident, staff felt that it wasn't a good idea for the practitioner

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<sup>45</sup> An organisation I previously volunteered with did not allow current staff or volunteers to socialise with service users outside the centre, following an instance where a volunteer had been accused of assault by a service user.

to offer her a lift in future, despite the lack of affordable and reliable transport in the area.

### *The Service Users*

“...originally when you first came we introduced you to the different groups, like we do with everybody, and then everybody doesn’t turn round and carry on doing their own thing, they join you in it...” (Interview with Rebecca (core staff), 04/03/11)

Interpersonal relationships have been identified as being highly important to people’s wellbeing (Deci and Ryan, 1991), with the Artspace classes providing a suitable environment for their cultivation. Service users at Artspace helped to maintain a positive and friendly environment, and were always welcoming towards newcomers. Users often worked together to achieve common goals, whether they involved collaboration on a large piece of art, or tidying the room after a session had drawn to a close. Collaboration between beneficiaries had occurred successfully since the early days of the organisation, which was believed to be the result of people being given the ‘right’ environment within which to function.

People were happy talking to each other about any concerns they faced during the art sessions. One woman, who had experienced depression in the past, mentioned that she was comforted by the fact that many other people were in the same ‘frame of mind’. However, service users also remarked that there was never any expectation on them to verbalise how they were thinking or feeling when using the service. Despite this feeling of solidarity, service users felt that the organisation had successfully avoided becoming ‘cliquey’.

#### 8.4.2: Policies and Positioning

The specific policies and positioning of Artspace encouraged social inclusion in five main ways: through the non-medicalised nature of the organisation; its accessibility to the entire community; having flexible, diverse, and accessible activities; its strong focus on beneficiary input; and its willingness to network and dialogue.

#### *Non-Medicalised Nature*

The non-medicalised nature of the organisation played an important role in maintaining an inclusive and welcoming environment for service users. Because of its focus on creativity rather than individual health (or lack of), negative self-labelling was

rarely present within Artspace. Participation in arts and health projects can often assist with the formation of positive identities (Spandler et al, 2007), with this lack of self-labelling often being observed in organisations with a non-medicalised ethos.

Several service users were of the opinion that the atmosphere and ethos of the classes fostered positive self-image. Illness and disability was ‘not the main descriptor’ of people being there, and people were never pressured to rationalise their attendance.

“...the important thing was focussing on writing rather than being a person with depression, I definitely felt that was how I saw myself when I started coming here, and you’re not labelled and one of the most positive things has been focussing on the writing, so you are a writer, irrespective of what else is going on...” (Interview with Sandra (service user), 20/07/11)

One service user with experience of mental health services argued that within such services, users often ‘ruminated’ on their own and each other’s problems. This acted as a deterrent to the individual in question, who had sought to escape her illnesses and worries. In the past, one of the Artspace sessions funded by the local authority had been comparatively closed to non-referred beneficiaries, with one woman mentioning that she had stopped attending these sessions because of their negative atmosphere.

The structure of traditional day support can sometimes result in service users internalising stigmatised beliefs (Corrigan and Shapiro, 2010), with people being deterred from accessing such services because of this negative association (NIMHE/CSIP, 2006; O’Reilly et al, 2009). This was referred to by Bowpitt et al (2013) as the ‘dilemma of accessibility’, whereby maintaining accessibility to one group of people may come at the cost of excluding another group.

### *Accessibility*

Artspace had always been open to the community, and this inclusive focus has meant that its beneficiaries came from a wide range of ages and backgrounds, with the organisation helping to foster both bridging and bonding social capital. Some people had lived in the community for years, knowing about the organisation since its inception. Two service users started attending after being introduced to activities through their children. Others discovered the organisation through friends or acquaintances, or after reading adverts in the local newsletter. Several service users had been signposted to Artspace through their GP or mental health worker.

Service users had various reasons for attending Artspace. For one retired woman who had recently moved to the area, attending Artspace was a ‘marvellous’ way that she could gain a foothold in the community and meet new people. Others attended because they enjoyed the activities, or because they could obtain a ‘cheap brew’ and a good lunch. Some service users, however, were fully aware of Artspace’s ethos, and attended as they felt it was beneficial to their health and wellbeing. As an inclusive and welcoming organisation, Artspace wanted as many people as possible to attend, even if it was solely because they happened to enjoy a particular activity. However, staff and trustees also hoped that the organisation could subtly improve the wellbeing of all service users.

“...they come to do something quite simple, join a writing group, do a drawing class, come to a social meal, come to do a bit of gardening...they’re good things to do anyway, but there’s a hidden agenda obviously in our minds in that we hope very much that these situations will give people the ability to make advances or progress in their own feeling about how they are coping with life in general...” (Interview with Scott (core staff), 10/02/11)

“I think trying to get a wide variety of people in to do creative activities has a huge benefit for everybody whether they have serious problems or whether they just look forward to an afternoon out once a week to be creative or to join in...” (Interview with Helen (trustee), 18/07/11)

Service users, no matter how they were referred, were unequivocally happy that Artspace was open to the whole community, and believed that it allowed them to meet people from ‘across the spectrum’. For two service users with experience of mental health services, having a mental health focus could have led to ‘institutionalisation’ or a promotion of an ‘unreal, biased view of the world’. While it was recognised by one service user that ‘excluded’ people may often ‘group together for safety’, she still felt that Artspace offered a safe and friendly environment to those feeling vulnerable.

“...I think Artspace’s created that’s sort of safe space where you can bring yourself however vulnerable you’re feeling, and it’s safe to go there, even though there’s loads of different people and not everybody will necessarily have personal experience of your problems that you’re going through” (Interview with Sarah (service user), 10/08/11)

Very few of the classes were ‘closed’ to specific groups of people, and when they were, it was because attendees required specialised or individualised support. Other classes, while still being open to all, advertised themselves as ‘quieter’ than others, thus ensuring the continuation of a safe and supportive space for more vulnerable service users.

Service users with no known disabilities were also positive about the inclusive nature of Artspace, believing that it could help people ‘from all walks of life and all ages’. Several regular attendees who used wheelchairs were able to participate as fully as everyone else. One service user believed that associating with people from a range of backgrounds ‘broadened her mind’ about people with disabilities.

“...I think it’s good to mix with those people cos you don’t normally, if you go about your normal everyday life with your family you don’t always have much to do with those members of the community so it’s good to speak to those people...” (Interview with Sofia (service user), 20/09/11)

### *Flexible Activities*

The art class is very informal, with no compulsion for anyone to do art if they didn’t want to. One woman in the class was happy to look through her magazine (and discuss the contents with people), make phone calls, or play a Nintendo DS – at the same time as participating in art. There was no set lunch time, and people could leave early (e.g. if they had an appointment) or arrive later. Newspapers arrive on the Friday giving people something to read. People feel quite happy to discuss their various thoughts, fears or concerns within the class, and the atmosphere is generally laid back (Excerpt from field diary, 15/10/10).

The flexibility and accessibility of Artspace was praised by service users. One service user noted that the building was open at times in the year when other organisations in the area were closed. Service users were comfortable dropping in for a cup of tea, even if a timetabled class was occurring at the same time.

“I feel I belong here and I’m comfortable coming here, sometimes I’ve popped in if I’ve finished at [workplace] at one o’clock and I’m going to something at two o’clock, its not worth me going home to come back so I’ll come in here and just make a brew and bring a sandwich and I feel okay doing that...” (Interview with Kate (service user), 01/08/11)

People were happy simply watching or chatting to others at times that they didn’t feel inspired to join in. There was never any pressure on service users to engage with the artwork, with some people attending for weeks before they finally decided to participate in an activity. There was no restriction on the kind of artwork available to service users, although the practitioners often had specific projects which people could get involved with should they ever need any inspiration.



*Figure 8.5: Artspace believes that everybody can be creative*

All of the classes offered at Artspace, including those independent of the organisation, sought to be as inclusive as possible. For example, within the singing group, several members, until joining the group, had not sung since leaving school, yet were still at ease in a group that was friendly, sociable, and welcoming to people of all abilities and backgrounds. Indeed, a sign prominently displayed in the main creative space emphasised Artspace's belief that art and creativity are accessible to everyone (figure 8.5).

Service users could also assume different identities within the organisation depending on how they felt on particular days, with the lines between service users, volunteers, and sometimes even paid staff being blurred. The non-prescriptive nature of Artspace meant that people could engage with the organisation and its activities in their own time and way. For example, one woman mentioned that she could adopt the role of a service user on those days that she was too fragile to be a volunteer. She held the opinion that unlike other social care organisations, Artspace allowed for 'ongoing maintenance', and believed that the flexibility of the organisation, where she was able to vary what she did in an 'enabling way', had played a considerable role in helping her manage her depression.

Several staff members believed that some people who had specifically applied to Artspace to be volunteers may have chosen this identity to benefit from the organisation's atmosphere and social support whilst avoiding the label of 'participant' and the potential stigma associated with it. Ensuring the wellbeing of volunteers, and

not just the service users, was considered to be highly important by staff and practitioners.

### *Service User Input*

As discussed in the previous chapter, Artspace staff believed in the importance of dialogue with beneficiaries. The organisation ran regular ‘participant forums’, and always consulted with service users if any changes were planned, ensuring that they were aware of the outcomes of any such meetings. Staff were aware that some service users may be unwilling to speak during the meetings, and always reiterated to people that they could have a quiet chat with them at any time.

“...just because someone’s got a loud voice doesn’t mean that they’re always right, its about finding ways to ensure that everybody’s voice is heard in a way that suits them, and that might not always be at a public meeting for example, so one to one chats, keeping our ears open, just being aware, having informal discussions with people...”  
(Interview with Lauren (core staff), 22/07/10)

Rather than simply work to a ‘majority’ verdict, staff sought to reassure service users who were upset or unsatisfied by particular decisions. Artspace believed in finding different ways of doing things, tailored to the needs of the individual, rather than having a generic, ‘one size fits all’ policy.

Service user input extended to a number of other areas within the organisation. People freely took responsibility for certain aspects of running the organisation, which included watering the plants, making tea and coffee, clearing the tables, and washing up after the community lunch. On occasions where the main session leader was absent, certain service users temporarily adopted the role themselves. Staff also encouraged service users to ‘progress’ within the organisation, for instance, by becoming volunteers; and there were several instances where service users eventually obtained paid positions. However, at the same time, staff respected the agency of service users to engage with the organisation in the way that they saw fit. Artspace, therefore, could be said to provide ‘supportive enablement’ (Bowpitt et al, 2013), offering beneficiaries the necessary services and support to progress into employment, volunteering, or mainstream educational opportunities, but at their own pace and on their own terms.

### *Networking and Dialogue*

Artspace was able to maximise the benefits to service users by forging connections with other community organisations. As mentioned in chapter six, in June



2011 Artspace successfully gained a slot for the facilitator in the local surgery for a single day each month, providing her with a space to talk to patients about how they could get involved with the organisation. This was seen as an important way by which Artspace could connect with service users who may otherwise be too daunted by the prospect of walking in off the street. This link was forged after a core staff member attended the surgery's 'patient participation group' and was able to convince GPs of Artspace's value in promoting recovery.

Artspace was also able to successfully intervene in the case of a man who could no longer receive free community transport after being discharged by the community mental health team. After speaking with the community transport organisation, it was agreed that the man in question could continue to receive free transport if he adopted a voluntary role of 'escort', whereby he would assist people with limited mobility to embark and disembark the bus. In both of these cases, Artspace was able to build up strong and trusting relationships with two community organisations; one statutory, one voluntary, and was able to negotiate with them to ensure that it could continue to meet individual needs.

Networking with other community organisations allowed Artspace to maximise the possibilities for service users to connect with the wider community. One of the aims of the 'Café In' was to provide service users with information about different services in the area, effectively signposting them on to different organisations. Staff spoke of how there had been several examples of service users who had started out attending Artspace, yet had since progressed into other activities. For example, one man who had learned to use a computer through Artspace was successfully encouraged by staff to use the computers in the town's library after building up the confidence to do so.

### **8.5: Challenges to Social Inclusion**

Artspace experienced a number of difficulties in its attempts to be as socially inclusive as possible. These challenges were both internal to the organisation, and which could potentially be corrected by changes to practice; and external, thus posing more of a challenge to resolve. In some instances, challenges fell into both categories. For example, negative community perceptions of Artspace were initially the result of the particular work that it chose to engage with, which, in a sense, was controllable by the organisation. However, despite Artspace's best efforts, negative perceptions

persisted in the community, and which could be seen as being an external challenge to inclusivity.

Artspace drew upon a number of strategies to adapt, negotiate, and resist various demands and challenges, with staff attempting to ensure that beneficiaries remained at the forefront of its work. Five main challenges were identified, which were issues concerning access; challenges concerning the organisation's particular values and ways of working; negative community perceptions of Artspace; restrictive funding criteria; and difficulties engaging with 'hard to reach' groups of people.

### *Access Issues*

While service users generally found Artspace welcoming and easy to access, this was not always the case for new attendees. Several people I spoke to – both current service users and members of the wider community – mentioned that they had experienced difficulties when attending Artspace for the first time. One practitioner held the opinion that people unfamiliar with the building may be reluctant to walk in off the street, believing it to be a private studio or even a business, rather than a welcoming, community focussed organisation that was happy to receive new visitors at any time.

One service user found that Artspace's informal nature initially made her 'uneasy', and felt that other service users expected her to be familiar with organisational procedures. She believed that this may be a potential deterrent for many older people who 'like to know what's happening when and how everything works'. While institutional environments are often seen as being spaces of power and domination, and are thus portrayed in a negative light, they may be preferred by some individuals (Martin et al, 2005).

One service user who had also recently started attending mentioned that it was only because of the attentiveness of the person on the 'meet and greet' that she didn't leave the building shortly after entering.

“...the first day I came in, and everybody was busy and I thought oh I don't know, I turned round, to go out, now it was Lisa, who grabbed hold of me and said, come in, have a cup of tea, come up with us to writing group, and that's how it began for me...”  
(Interview with Emma (service user), 14/09/11)

However, Artspace staff were aware of these challenges. The 'meet and greet' aspect of the organisation, conducted by service users and the 'facilitator', was

considered an essential way in which new or vulnerable service users could slowly be introduced into the organisation. Staff also considered other possible ways in which new attendees could be targeted, with the idea of a ‘virtual Artspace’, accessible through the organisation’s website, being a possible intermediate step for those unable or unwilling to visit the actual building. However, owing to a lack of staff time and money, the majority of these innovative ideas were never realised.

Artspace also identified a number of other groups which it could do more to work with. For instance, its restricted opening hours meant that it was largely inaccessible to people in full time employment. However, a number of independent groups already met in Artspace on various evenings during the week. Staff spoke of a desire to run more Artspace activities outside standard hours, providing that the demand for them existed. In September 2011, Artspace ran the first of its occasional weekend ‘volunteer days’, whereby people could come together and assist the organisation in an informal manner.

Blackburn and Ram (2006) argue that external factors, such as rural isolation, are some of the limiting factors preventing social enterprises from being as inclusive as they desire to be. Poor transport to Moughton from other settlements in the district posed a perennial challenge to Artspace. However, staff argued that if service users could not come to Moughton, then the artists could go out to the service users; therefore ‘replicating’ or ‘duplicating’ their activity in other spaces. Artspace ran classes in the surrounding villages for a number of activities such as the Alzheimer’s sessions.

### *Challenges of Ethos and Values*

The ‘holistic’ nature of Artspace posed a number of difficulties on occasion. For example, in the past, the organisation had employed practitioners who were ‘more familiar with the way statutory organisations worked’. They found it hard to engage service users, lacking the ability to adapt to the flexible and person-centred ethos of the organisation. However, staff retrospectively admitted that Artspace had not provided these workers with as much support as they would have ideally liked at the time.

Artspace’s flexible and informal nature was sometimes problematic. While the majority of staff and practitioners were in favour of maintaining the ‘social drop-in’ element, concerns were also raised over the potential for institutionalisation. Staff also believed that service users sometimes had particular expectations of Artspace, based

on their past experience of statutory services. As discussed in Chapter Five, service users were frequently asked what they wanted to achieve from the organisation with reference to a particular ‘end point’, and were encouraged to access other services in the area.

In addition, starting in 2010, Artspace implemented a two-week summer closure. While its main purpose was to allow staff to assimilate, a secondary purpose was to encourage service users to consider potential opportunities in the wider community. However, staff acknowledged that they would not let people ‘fend for themselves’, but would work closely with care coordinators and service users to ensure that nobody was isolated as a result.

### *Negative Community Perceptions*

While being praised by its service users for being socially inclusive, Artspace had developed a reputation in the past as a place ‘where all the nutters go’, or as a place where ‘people go to recover’. It was felt that this stemmed in part from its past focus on mental health, and also from the adoption of language and terminology commonly associated with statutory or medical settings.

Brinkerhoff (2005) argues that an organisation’s legitimacy is dependent not on what it actually does, but on how it both frames and communicates this, whether this is intentional, or, in Artspace’s instance, unintentional. However, the fact that Artspace worked with people whom Goffman (1968) considered as having ‘spoiled identities’ may have meant that stigmatisation was inevitable to some extent. There is evidence to suggest that the stigma associated with marginalised groups can be transferred to organisations that work closely with individuals from such groups (Tracey, 2012b).

Negative perceptions were largely held by long-term residents of the community. Along with being seen as a place for people with mental illness, a common perception of Artspace was that it was run by ‘weirdoes’ and ‘hippies’, possibly owing to its informal and holistic nature. One of the trustees believed that negative opinions of the organisation and its attendees were held by people who were marginalised in their own way, and who could themselves potentially benefit from attending.

“...if you try and include marginalised groups, and particularly those with mental health problems, in a small community, which is a very laudable and right thing to do, you will always get people in that community who want to stay miles away, and

funny enough its often other people on the edges themselves...” (Interview with Helen (trustee) 18/07/11)

This paradox can be explained through the Freudian notion of ‘unheimlich’, or the uncanny. Wilton (1998: 181) argues that members of a community may distance themselves from services for marginalised individuals, as the sight of unwell people “makes vulnerable their own senses of identity, raising the specter of their mortality”. Community members facing challenges of their own may choose to disassociate with other marginalised individuals owing to this ‘cognitive dissidence’, with the individuals in question being both familiar yet foreign (Wilton, 1998).

Some service users experienced stigma simply through attending Artspace, even if they had never been identified as having any health difficulties. On one occasion, a service user had to pretend that she was employed at Artspace so as to avoid being stigmatised for going to ‘that place’. Here, the service user adopted strategies of normification (Goffman, 1968) to disassociate herself from the organisation and its stigmatised beneficiaries.

Other service users mentioned that they had attempted to correct people’s perceptions of what Artspace stood for. One woman mentioned that she had always attempted to explain to critics that it was an organisation with a strong community focus. Service users were therefore attempting to challenge stereotypical representations of Artspace, emphasising the true identity of the organisation. In some instances, these challenges were pre-emptive. While one of the service users confirmed with a visiting tradesperson that the organisation worked with vulnerable individuals, he quickly emphasised the fact that it was also open to everybody.

However, there was evidence that on one occasion, service users actually adopted the belief that the organisation was aimed at vulnerable people. One of the new service users, who had been attracted by Artspace largely because of the writing group, believed that the organisation’s main benefit was to ‘different sections of the community that have issues and need extra help’.

Staff were aware of Artspace’s stigmatised nature and attempted to challenge people’s perceptions. For example, the Big Lottery Wellbeing income meant that Artspace was able to ‘open its doors’ to a greater number of people within the community. The organisation also encouraged independent community groups to use the building, emphasising its wide ranging and inclusive ethos. Nevertheless, several

staff members believed that Artspace may require a complete ‘rebranding’ to show that it was first and foremost a community-based organisation.

In addition to changing people’s perceptions about the organisation, Artspace attempted to change perceptions about mental illness in general. In 2011 it successfully obtained funding to run a project that specifically sought to reduce the stigma associated with mental illness. This project, which involved collaboration with other local organisations, was based around direct public engagement with service users’ art as a way of challenging misinformation<sup>46</sup>. This was a bold move on Artspace’s part, given that the publicity around such events could have perpetuated the idea that Artspace was mental health focussed.

In contrast to other opinions expressed about the organisation, one practitioner believed that Artspace was ‘well regarded’ by many people in the town, including those who had no personal need or desire to attend the classes, *because* the organisation cared for ‘some of the more vulnerable people’ in the community. In some ways, this is an example of Artspace’s ‘cognitive legitimacy’, where it was considered to be “desirable, proper, and appropriate” based on culturally accepted values and norms (Boxenbaum, 2008: 237). Organisations such as Artspace may thus be viewed favourably as they would help to relieve the ‘burden of care’ on the community to some extent.

### *Restrictive Funding Criteria*

Funding availability and restrictions based on pre-determined criteria can pose a number of challenges to third sector organisations. For example, service users who lived outwith the region were technically not allowed to attend Artspace activities funded by social services, despite the organisation’s proximity to the borders of two other counties. However, Artspace still allowed them to participate, though frustratingly for the organisation, their attendance could not be counted. Staff believed that only in recent years were statutory services coming round to Artspace’s way of thinking, with the joining up of GPs into consortia across county lines as part of a move towards the abolition of PCTs. In addition, service users who were not part of the mental health system were allowed to attend social services funded activities, with

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<sup>46</sup> Exhibitions of artwork by people with mental illness can provide “an access point for the wider public to understand more about mental health issues, illness experiences and the disrupted psyche” (Parr, 2006: 159), thereby helping to challenge the stigma surrounding mental illness (Dunn, 1999).

the belief that this would be cost effective in the long-term by preventing deterioration to their health.

“...strictly speaking they funded sessions where people had to be referred to be able to attend, and for years, in particular Susan, who felt very strongly about this, and I’m glad she did, always argued that that was wrong, that if somebody was feeling vulnerable, yet they hadn’t been referred by a health professional, they should still be allowed to join that session...” (Interview with Tracey (core staff), 06/04/11)

Again, this is something that central government policy has only just caught up with. The 2008 National Social Improvement Programme, a review of the progress made towards the modernisation of specialised day services, stated that “rigid eligibility criteria for accessing day services can reinforce social exclusion and limit the amount of preventative work that can take place” (NSIP, 2008: 37). It has been recognised that access to informal, social care facilities can result in savings to health services in the long run, given that they can often prevent people deteriorating to the point where they require institutional support (Dickinson et al, 2012).

In addition, the Big Lottery, which provided a large percentage of Artspace’s money, stipulated that this income should be aimed at people with ‘mild to moderate’ mental illness. However, as Artspace has always been open to the whole community, staff allowed people who had not been diagnosed with any illness to attend, believing that attendance would be beneficial to their mental health. In both these instances, Artspace ‘resisted’ the demands of these two stakeholders, albeit in a minor way, to continue to be as inclusive as possible. However, even though the organisation used money for purposes other than was originally intended, staff did not consider this to be ‘deception’.

“...so everybody who’s come has benefited and as a result I’m happy that we’re reporting back to Big Lottery that they are beneficiaries and their health and wellbeing has improved as a result of being involved with us, what perhaps we’re not saying is whether or not they are known to us already as having a mild to moderate mental health problem...but the feedback that has been given from all the projects is that you’re putting people off if you say you can only come if you’ve got a mental health problem and have to almost diagnose it before they can come” (Interview with Yvonne (core staff), 21/07/10)

Staff believed that Artspace had accurately reported back to Big Lottery, even though some service users had not met the funding criteria. They believed that potential beneficiaries may be deterred from attending if one of the criteria for participation was having a diagnosed mental health problem. Although staff had at first been ‘paranoid’ about doing things ‘strictly to the book’, they had since relaxed their

criteria after recognising that this approach would not allow them to engage with as many people as they had hoped. In addition, it was felt that the Big Lottery had become more 'lax' regarding the eligibility criteria. Although staff acknowledged that they may have chosen to adopt stricter criteria if they had received more routine referrals from GPs, the feedback from Big Lottery had been overwhelmingly positive, suggesting that Artspace had successfully met the three outcomes around mental health which it had agreed in advance with the Lottery<sup>47</sup>.

### *Hard to Reach Groups*

Some challenges were harder for Artspace to manage. For instance, despite its framing as an inclusive organisation open to all in the community, there remained a section of the community who believed that Artspace, for whatever reason, was not for them. Even though Artspace had attempted to make its activities as accessible as possible, several service users did not feel comfortable engaging with the creative process. While, on the one hand, this unwillingness to participate can be the result of low confidence and self-esteem, arts and health organisations should also recognise that art as an intervention is not for everyone, and thus should not be seen as automatically beneficial for all who participate (Repper and Perkins, 2003).

Another challenge faced by Artspace was how to effectively engage with those communities and groups unwilling to engage with mental health services or support of any form. Moughton, and the majority of the areas in which Artspace operated, could be described as being largely racially homogenous, with the 2001 census showing that just 1% of residents in the ward were from a non-white background. Nevertheless, practitioners did mention that in the past, people of other cultures or backgrounds had been reluctant to engage with the organisation, either within Moughton, or in other locations where activities had been held.

Jennifer discussed how she was in Kirkley for a mental health event in a church... the stall she was at was the only 'hands on' one there, with people helping to make a variety of cards. She mentioned how some Asian women had come over from Eastburn, who participated in making some cards. However, they didn't take them home with them, and Jennifer was worried that it was because of any stigma they may experience from their own community...(Excerpt from field diary, 11/10/10).

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<sup>47</sup> These were to (1) improve the wellbeing of service users, (2) reduce their social isolation, and (3) reduce the stigma associated with mental health.



This reluctance may be related to factors which include fear of racism, whether real or perceived (Franks et al, 2007), and stigma within their own communities (e.g. Bradby et al, 2007). Artspace staff never mentioned any particular strategies to challenge this, partially because the ethnic minority numbers in Moughton were so low that there was never any indication of any unmet need. However, Susan also mentioned that there had previously been internal challenges to the organisation being as inclusive as possible, stating that a past trustee had held views which she considered to be racist in nature.

## **8.6: Discussion**

Social care organisations with flexible access, enjoyable and affordable activities, friendly staff, and an inviting atmosphere can successfully attract a wide cross-section of the general population. However, the conflicting needs of beneficiaries, resource limitations, and the fact that organisations can absorb certain ‘stigma’ when working with vulnerable groups, may mean that third sector organisations are, in many cases, required to reach a compromise regarding who they are able to work with.

In many cases, these tensions may stem from outside an organisation’s control and influence. Although organisations may attempt to challenge misconceptions regarding mental illness and other disabilities, these conditions remain highly stigmatised (O’Reilly et al, 2009). While organisations could potentially avoid obtaining a stigmatised image by not providing services to people with specific disabilities or conditions, this may deprive them of a valuable source of income. In addition, certain community needs would remain unmet. In many cases, social enterprises are driven to challenge the failures of both the state and private sector to provide essential services in their communities (Amin et al, 2002), even if any unmet needs are associated with people who happen to hold ‘spoiled identities’.

Other tensions and dilemmas concerning inclusion may be more specific to organisations with a caring or person-centred ethos. Many aspects of a caring approach, for example, the use of touch, can be at odds with professional standards and guidelines (Lauder et al, 2002; Maben, 2008). Such an intimate way of working is not considered ‘socially acceptable’, and would therefore lack ‘procedural legitimacy’ in the eyes of the state (Suchman, 1995).

On an internal level, Artspace’s remit was pulled in two separate directions. On one hand, it largely maintained the values of an arts and health organisation which

sought to focus solely on the creative process. On the other, staff believed that occasionally, the organisation chose to work outside its remit, given the limited support for vulnerable people in the wider community.

“...we do play a key role in people’s lives, we are an arts and health organisation, we’re not a counselling service, we’re not a befriending service, there’s a whole range of things around that that we’re not, and it’s not our expertise to be; however I think we fulfil a lot of those roles informally by being here...” (Interview with Lauren (core staff), 24/03/11)

Many third sector organisations appear to face similar dilemmas. While the majority of charities in a survey sought to widen their remit, 29% also stated that they had been unable to help some people because their needs happened to lie outside of their objectives (Charity Commission, 2009). However, in the same survey, two fifths of charities mentioned that if they were unable to assist somebody, then they would refer them onto another, more suitable organisation. Artspace was unable to do this given that the nearest ‘suitable’ organisations were often located a considerable distance away. This meant that staff, to a certain extent, felt obliged to work outside their remit, despite the risks.

It was suggested that Artspace could employ somebody to work in a counselling role as a means of catering for any unmet need within the community. However, as well as the money required to pay for such a position, there was also the possibility that Artspace would move away from its non-medicalised and non-institutional ethos. This would potentially exacerbate community perceptions that it was aimed at people who were ‘unwell’, thereby resulting in more individuals choosing to avoid the organisation.

Another internal dilemma that many caring organisations face is how to remain flexible and accessible on the one hand whilst avoiding ‘institutionalisation’ on the other (Swan, 2010). While Artspace staff members encouraged service users to access other community organisations, at the same time, people clearly benefited from using the organisation informally, with Artspace assuming a role not dissimilar to a community centre, or even to the Pioneer Health Centre which had been its inspiration. Although formalising sessions may, on the one hand, assist with service user progression, it may also result in Artspace losing one of the main elements that makes it unique from organisations offering similar social support – the freedom available to the individual to participate in a way that she or he sees fit.

### **8.7: Conclusion**

This chapter suggests that an organisation's desire to be as accessible as possible to a wide range of people is one source of tension that it may experience in its day to day practice. This tension may be related to a number of factors, which include different wants and expectations from beneficiaries, internal disagreements concerning an organisation's direction and focus, and external restrictions on funding.

Organisations may attempt to minimise these tensions through the use of a variety of strategies, for example, by offering a range of activities, by reducing their reliance on particular sources of income, or by negotiating any access requirements with their funders. However, while organisations may ideally seek to maximise their remit and benefit as many people as possible, this may not be possible without compromising or diluting their ethos, values, and goals.

## **Chapter 9: Discussion**

### **9.1: Introduction**

This chapter draws out the wider, conceptual themes identified through the four empirical chapters, discussing the overall aim of this project and the specific research objectives. The tensions that exist between an organisation's values, expectations, and particular stakeholder demands can be explained by returning to the concept of 'organisational legitimacy', which is conferred on an organisation through its stakeholders. Legitimacy is highly important to an organisation's survival, and in some situations, may be more valuable than human, physical, or monetary resources (Moizer and Tracey, 2010).

Intertwined with the concept of legitimacy are an organisation's ethos, values, and reasons for existence. An organisation's ethos may be responsible for it obtaining organisational legitimacy in the first place; however, on the other hand, it may prevent it from pursuing legitimacy from certain actors or institutions. For instance, an organisation may refuse to work with particular stakeholders if doing so would directly conflict with its core values (Nevile, 2010; Oliver, 1991). In many cases, an organisation's ethos may be comparatively stable, or may gradually change over a period of time, whereas legitimacy is in a state of flux, changing according to dominant political discourses, or according to the wants and needs of an organisation's stakeholders (Suchman, 1995).

Organisations with a caring ethos may potentially experience tensions from stakeholders in a number of ways. The notion of 'care' is often at odds with a need for professional conduct (Maben, 2008), while pressures to show evidence of service user progression may encourage a colder or less personal attitude to working with beneficiaries in an attempt to avoid institutionalisation. An organisation seeking to foster a caring ethos may therefore face difficult decisions over the direction it chooses to take. As social enterprises attempt to meet both social and business goals, some may question whether it is possible to have a truly 'entrepreneurial' model of care.

### **9.2: Addressing the Research Aims and Objectives**

The ultimate aim of this project was to identify and explore the tensions between an organisation's ethos and the wider environment within which it operates. To do so, four specific objectives related to this conceptual aim were identified.

*9.2.1: To explore the nature of 'ethos' with reference to social enterprises and other third sector organisations*

This research question sought to explore the nature of ethos as understood by third sector organisations, investigating how it can influence their practice, expectations, and decision-making. An organisation's ethos is highly important, providing it with the reason for its existence. Belief in an organisation's good character may, at times, enable it to maintain legitimacy following difficult or unpopular decisions (Wartick and Cochran, 1985).

However, those organisations operating according to a moral premise may find that they are held to a higher standard of accountability than those that do not (Jones and Pittman, 1982). Major changes to an established organisation's values will likely result in reduced legitimacy amongst its beneficiaries, or amongst any staff unwilling for it to change. Nevertheless, slight shifts in an organisation's ethos can be advantageous in that they can enable it to benefit a greater number of individuals and help it gain access to additional sources of funding (Bennett and Savani, 2011). While Artspace's core values have largely remained the same since its inception, it has been able to slightly 'shift' its focus depending on community need and the available funding.

Based on the case study of Artspace, this study has shown that ethos is a complex issue, impacting upon an organisation and its relationships with stakeholders in different ways. Three main findings pertaining to the nature of ethos within third sector organisations were identified based on this study: ethos as an organisational attribute which is often 'prioritised' over other competing elements; ethos as contested; and ethos as a fluid and dynamic attribute.

*The Prioritisation of Ethos*

To many organisations operating in the health and social care field, maintaining their ethos or values may be such a priority to them that they choose to make 'sub-optimal' decisions in other areas, even where this may compromise relationships with stakeholders or threaten their survival (Ospina et al, 2002). For example, Artspace could have sought to improve the evidence base for its activities by focussing on more tangible outcomes, such as improvements in subjective wellbeing, or the extent of

participant progression into paid or voluntary work, rather than upon less tangible outcomes such as improvements in creative potential. In addition, focussing on creative activities alone, rather than offering a wide number of activities not traditionally classed as art, could have potentially enabled staff to better gauge the efficacy of the creative process and thereby improve the legitimacy of both Artspace and the ‘arts and health’ field (Dileo and Bradt, 2009).

Artspace’s desire to maintain a flexible practice was also in direct conflict with the need to improve legitimacy with external stakeholders. For example, it was a challenge to measure improvements to a beneficiary’s wellbeing if she or he only ever used Artspace to enjoy a cup of tea and socialise with others. However, flexibility of attendance had always been a major part of Artspace’s ethos, with those who used the organisation informally or occasionally being equally as welcome as those who regularly attended ‘timetabled’ sessions.

One staff member criticised the fact that the organisation typically went through ‘big periods of consultation’ before anything happened. This process involved considerable use of staff time, resulting in the delayed implementation of new ideas. However, Artspace’s desire to work closely with individuals, and encourage them to participate in the decision-making processes, enabled it to maintain a positive relationship with its beneficiaries. The desire to meet service user needs was one aspect of Artspace’s ethos that staff were reluctant to ‘water down’ in any way, shape or form. While this was a time-intensive process, it also contributed significantly towards its legitimacy in the eyes of its beneficiaries.

While the organisation sought to diversify its sources of income, it also chose to forego some avenues of potentially profitable activity because of the fear that it would impact negatively upon its core values. Although popular art activities such as ‘pottery painting’ would undoubtedly attract more participants from the local community, thereby earning the organisation additional income, it would also likely dilute Artspace’s ethos, given that the organisation considered itself as innovative and experimental in its use of artistic techniques. Maintaining this creative ethos was essential to the organisation, given that the arts were its *raison d’etre* (Kendall, 2009).

### *The Contested Nature of Ethos*

Staff faced a number of dilemmas as a result of Artspace’s person centred ethos. While on the one hand, they spoke of the need to minimise the potential for

institutionalisation and dependency on the service, on the other hand, they believed that the organisation had to respond to distressed service users in a caring and person-centred manner. These dilemmas highlighted the fact that organisational ethos can be both formal in nature, whereby it is a stated aim of an organisation, and informal, being held and reproduced by its employees (Donnelly, 2000).

Formally, Artspace worked in a professional manner, adhering to rules and regulations, and emphasising a separation between staff and service users, whereas informally, staff responded to challenges in an instinctive and personal way, often crossing established professional boundaries. Ethos, therefore, is neither static nor universal within an organisation, and the presence of both formal and informal ethos suggests that at times, it can be contradictory or conflicting (Donnelly, 2000).

An organisation's ethos may be influenced by external discourses, often in unconscious or subtle ways (Kleijnen et al, 2009). Within Artspace, a number of staff and trustees believed that recovery and progression should be a goal for all beneficiaries. Although this had the potential to impact upon the organisation's community-based, time-unlimited ethos, it could not be described as a 'tension' in the usual sense of the word, given that such discourses were often subtle or unnoticeable, and affected the running of the organisation gradually over a long period of time. The fact that staff had different ideas as to how the organisation could benefit individuals suggests that an organisation's ethos, as understood by its employees, is a contested and negotiable concept.

#### *The Fluid and Dynamic Nature of Ethos*

The nature of an organisation's ethos is not simply a bounded, formal entity, but may filter through to all aspects of an organisation, becoming taken for granted by staff and beneficiaries (Donnelly, 2000). There was evidence that Artspace employees absorbed the organisation's ethos of reciprocity and trust. Staff members who had never before worked in the third sector were happy to contribute considerable voluntary hours for the good of the organisation, thereby ensuring that work was completed to schedule. Likewise, service users embraced the reciprocity and sense of community that Artspace sought to nurture. Attendees assisted each other on a daily basis, often bringing in food to share with others.

In some ways, aspects of the organisation's ethos even crossed over to other organisations it worked in partnership with. Artspace was successfully able to utilise

innovative techniques when working in partnership with a statutory organisation, after key individuals within this organisation were ‘converted’ to its innovative and experimental way of working. Particular philosophies and ways of working are not confined to particular organisations, but can be spread and take root elsewhere, suggesting that ethos can have a ‘transmittable’ nature.

Ethos is inherently bound up with other elements of an organisation, including its structure, procedures, and policy, with changes in one area resulting in changes in another. The cumulative effects of organisational restructuring and modernisation over the years had meant that in some respects, Artspace was unrecognisable compared with how it had been in the past. The extent of these differences was noted during the discussion and debate around the ‘Sleeves Up’ user-run group, with staff admitting that the rules, regulations, and accountability requirements of the modern organisation prevented such a ‘grassroots’ oriented group from existing today. However, despite these changes, the core values of the organisation – which sought to provide a ‘congenial space’ within which service users felt safe, secure, and welcome – had largely been maintained.

*9.2.2: To identify the tensions facing third sector organisations within a contemporary landscape of governance.*

All organisations from all sectors experience tensions in their day to day existence, which are often complex and competing, and can be both internal and external in nature (Cordery and Baskerville, 2011). Internal tensions can be associated with the relationship between an organisation and its beneficiaries, or between management and trustees, whereas external tensions may include stakeholder demands for quantified monitoring, funding challenges, and the relationship between an organisation and the wider community.

### *Internal Tensions*

Maintaining a positive relationship with beneficiaries can be one source of tension for organisations (Charity Commission, 2009). The democratic nature of social enterprises means that beneficiaries often play a considerable role in influencing their direction (Amin et al, 2002). Nevertheless, ultimate decisions usually lie with management or trustees, and there may be times when difficult decisions must be made



that risk upsetting or alienating beneficiaries. Some of these conflicts may be related to the desire or need to comply with demands from dominant external stakeholders (Bigelow and Stone, 1995; Walker, 1983).

On one occasion, strict eligibility criteria meant that some service users did not qualify to attend certain, statutory funded classes. Although this was an ‘exogenous’ issue (Borzaga and Solari, 2001), and therefore outside Artspace’s control, this also impacted negatively upon the organisation given that Artspace was the venue for the classes. In this instance, any negative impacts upon legitimacy were not solely restricted to the course provider.

Other organisational tensions may be less obvious at the time. For example, there was evidence that the adoption of statutory terminology within Artspace had contributed to its stigmatised nature, thereby resulting in some potential beneficiaries being deterred from attending. In this instance, the potential negative impact on beneficiaries was only identified by the organisation retrospectively.

Attempts to balance both economic and social goals can be a delicate and problematic process for social enterprises (Bennett and Savani, 2011; Skelcher, 2012), and this was no exception in Artspace’s case. For example, tensions were observed as a result of Artspace’s desire to maximise the money it raised through room hire. In the past, groups or individuals had previously enjoyed considerable flexibility regarding the start and end times of their booked sessions. However, service users had shown hostility or disappointment at being asked to finish promptly, despite being advised that the room had been booked for a session occurring directly afterwards. These incidents posed real threats to the organisation’s legitimacy, and highlighted the occasional fragility of the relationship that existed between Artspace and its beneficiaries. In some ways, the adoption of social enterprise activity may pose particular challenges to arts and health organisations, given that the field, by its very nature, already experiences tensions owing to the differences between how the ‘arts’ and ‘health’ are perceived and understood within Western society (e.g. Angus, 2002).

Beneficiaries may have their own particular demands of an organisation, which can potentially conflict with its ethos (Neville, 2010). The beneficiaries of social enterprises and other third sector organisations are rarely a homogenous group, with each person having her or his own wants, needs, and expectations (Charity Commission, 2009). Therefore, an organisation must recognise that even if it attempts to be as inclusive as possible, there is the possibility that some individuals, such as

those who disagree with its ethos, working practice, or strategic positioning, may not view it in a favourable light.

Tensions may occur between other internal stakeholders within an organisation. For example, tensions between the board of trustees and core management within third sector organisations are not uncommon, particularly if trustees attempt to become 'too involved' in their day to day operation. For organisations that have modernised or expanded in recent years, tensions can emerge between those in favour of professionalisation and those with more of a 'grassroots' disposition. As with its other stakeholders, staff or trustees hold a variety of different opinions as to the direction an organisation should take and how it can successfully move forward (Donnelly, 2000).

### *External Tensions*

Tensions external to social enterprises are largely related to stakeholder demands, with those involving the state being some of the most challenging for third sector organisations to manage successfully (Pharoah, 2007). This is partly because the relationship between the statutory and third sectors has never been one of equals. While both the voluntary sector 'compact', and evolution of 'third way' politics emphasised common goals between the state and voluntary organisations, in reality, a gap in ideology has been maintained between these two sectors, which was largely the result of the unyielding and inflexible nature of statutory bodies (Newman, 2001).

One of the main external challenges to social enterprises and other third sector organisations is an increased demand for quantified monitoring and measures of evaluation (Lawthom et al, 2007). This is related to changes in prevailing discourses, based around good practice, value for money, and statutory desire to govern third sector organisations, often 'at a distance' (Miller and Rose, 2008). Charitable trusts and other non-statutory funders may also demand such evidence, as they themselves are affected by prevailing discourses (Miller and Rose, 2008).

Although some commentators have distinguished between mission drift in the direction of the state, and mission drift in the direction of the market, prevailing statutory discourses are responsible in both these instances (Miller and Rose, 2008). For example, the current popularity of social enterprise, income generation, and business principles is the direct result of statutory promotion (e.g. Amin et al, 2002). Artspace's current positioning as a social enterprise is undoubtedly linked to the fact

that much of its previous grant income had been given to the organisation on the condition that it sought to become more sustainable.

Other tensions may be based around changes or ‘shifts’ in government policy, which may be problematic for organisations not anticipating such changes (Nevile, 2010). For example, Artspace experienced an immediate reduction in income as a result of the local authority’s decision to reduce statutory funding to community sector organisations following nationwide austerity measures. This compelled staff to investigate immediate ways that they could implement efficiency savings. Additional tensions included wider NHS and political reforms, which required Artspace to make a number of changes to its working practices.

Some decisions taken by an organisation’s management or board are not based on immediate demands or pressures, but occur owing to dominant discourses, with organisations believing that implementing particular changes can improve their legitimacy. For example, Artspace was desirous to implement a quality assurance scheme, not because of any overwhelming external pressures, but because of discourses of professionalism and ‘best practice’. This is one particular example of how ‘government at a distance’, and a desire to conform to prevailing practices and norms, may impact upon health and social care organisations (Meyer and Rowan, 1977; Miller and Rose, 2008). In addition, the decision to employ an external consultant was evidence of trust in the authority of ‘experts’ (Miller and Rose, 2008). Despite largely being initiated by Artspace, many of these changes to organisational structure and procedure were considered tensions given their potential to disrupt working practices, polarise staff opinion, and threaten the positive relationship that had formed between the organisation and its beneficiaries.

Tensions may also occur between an organisation and the wider environment in which it operates (Wilson, 2013). Artspace’s desire to develop and run a community car park as a separate social enterprise was opposed by local businesses and counsellors, simply because of the fact that the town’s private sector was comprised of a number of close-knit, independent, and established traders, which often struggled to earn enough profit to survive. Likewise, the fact that a substantial part of Artspace’s work was based around people with mental health and disabilities – a decision based on available funding and community need – meant that the organisation had adopted a somewhat stigmatised identity amongst certain sections of the community.

In some instances, legitimacy may be contested, further complicating the situation for organisations seeking to maintain positive relationships with a myriad of stakeholders. While, in Artspace's case, the county council were enthusiastic about the development of the community car park as a social enterprise in its own right, this view had not been shared by individuals and organisations at the local level.

*9.2.3: To explore the processes whereby an organisation absorbs, resists, and negotiates the tensions with stakeholders.*

Institutional theory argues that the organisational environment is rarely homogenous, with organisations being required to manage the needs of a number of internal and external stakeholders, or 'audiences'. However, an organisation may find it impossible to satisfy the competing demands of each of these stakeholders whilst also raising enough money to survive. Research has shown that for many community-based organisations, being able to fulfil their mission whilst meeting funding requirements can be a persistent challenge (Alexander, 1999).

Through a combination of the case study of Artspace and a wider review of the literature, this study found that organisations must typically balance three<sup>48</sup> main objectives in their day to day existence: maintaining legitimacy to internal stakeholders (e.g. beneficiaries and employees); maintaining legitimacy to external stakeholders (e.g. funders and partner organisations); and organisational survival (concerned with conforming to necessary legislation, ensuring the continuation of service delivery to beneficiaries, and obtaining enough money to pay wages).

These demands are often competing. For example, Artspace was increasingly required to provide quantified evidence, which would enable it to prove that it could tangibly benefit individuals and communities. However, implementing effective evaluation procedures was not a simple process, but could potentially threaten the other two objectives. For example, staff believed that the intrusive nature of monitoring may deter individuals from attending, thereby impacting negatively upon accessibility. Likewise, conducting evaluation was identified as being a potentially time consuming task, which could detract from the need to locate and apply for new sources of funding.

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<sup>48</sup> As mentioned in the first chapter, some organisations, including Artspace, must also balance a fourth objective, concerned with maintaining their ethos and values. However, this is not universally held, with a change in ethos being desirable or beneficial in some instances.

However, while meeting various stakeholder demands can be difficult, if not impossible, for third sector organisations, they can draw upon a number of strategies to maintain their ethos and values and minimise threats to their legitimacy. While resistance was one strategy that Artspace occasionally used in the past, organisational restructuring, coupled with a desire to become more transparent, meant that this strategy became increasingly unviable. In addition, staff acknowledged that many statutory changes could potentially work in the organisation's favour, thereby negating the need for resistance. For example, the proposed abolition of PCTs and the joining up of GPs over county lines would allow Artspace to legitimately provide support to people from neighbouring authorities.

Artspace drew upon five main strategies to manage any organisational tensions with its stakeholders. These were compliance, adaptation, maintaining positive relationships, negotiation, and the use of innovative techniques.

### *Compliance*

A certain degree of compliance is necessary for third sector organisations, which must comply with national and local laws to legally operate (Charity Commission, 2008). The legal requirements of running a charity have numerous facets; for instance, organisations must be clear about their purpose and direction, have a strong and capable board of trustees, be financially 'sound and prudent', and be accountable and transparent both to the general public and to those with a stake in the organisation (Charity Commission, 2008). Legal requirements are non-negotiable, with organisations facing penalties or sanctions should they fail to comply. Adherence to such requirements provides an organisation with 'legal legitimacy', defined as the "compliance with legal expectations, requirements and mandates set up by duly constituted authorities" (Brown et al, 2001: 65).

Third sector organisations may also choose to comply with specific accountability demands from stakeholders even when other options are available. This was referred to by Bigelow and Stone (1995: 183) as 'conformity through compliance', and is a conscious decision to obey and accept wider norms and requirements (Oliver, 1991). Whether or not an organisation decides to comply with external demands is influenced by its relationship with the stakeholder(s) in question (Bigelow and Stone, 1995).

Organisations may consciously select the specific aspects of the organisation in which to become ‘isomorphic’, whilst maintaining difference on those aspects that provide them with advantages (Deephouse, 1999; Hargreaves, 2003; Ruef and Scott, 1998). In general, compliance is a particular strategy that enables organisations to minimise environmental turbulence during periods of uncertainty (Meyer and Rowan, 1977; Oliver, 1991). While Artspace may have become ‘isomorphic’ in the sense that it was prepared to adopt a system of monitoring and evaluation that was acceptable to its funders, it also chose to remain independent, maintaining the freedom available to beneficiaries to engage with the organisation in ways that they saw fit.

### *Adaptation*

Adaptation is about more than simply complying with the wishes of stakeholders, but could be best described as how organisations can adjust to new conditions, changes in circumstance, or particular demands associated with the external environment, by making changes to particular aspects of their structure and operation (Cameron, 1984).

Third sector organisations are capable of adapting to changes in the institutional environment. For example, as the type, availability, and conditions of funding are constantly shifting, organisations may utilise a technique known as ‘creative packaging’ (Ossewaarde et al, 2008). This is where organisations “present what they do in ways that correspond to the preferences of government (or other) funding sources” (Nevile, 2010: 533). Although staff acknowledged that Artspace may always have to ‘bend’ to fit the funding to some extent, this had occurred to a greater extent in previous years. Following the organisational review, Artspace became considerably more ‘rigid’ around its overall aims and purpose. While creative packaging may improve an organisation’s chances of survival, a shift in ethos and mission may also damage its reputation and credibility. Having clear aims and objectives can ensure that an organisation maintains ‘normative legitimacy’ with its stakeholders (Edwards and Hulme, 1996).

In recent years, Artspace recognised the increasing popularity of social enterprise, and responded to prevailing discourses around the benefits of income generating activity in an attempt to minimise the possibility of ‘mission drift’ and improve its survival prospects. Becoming increasingly ‘hybridised’ in this way enabled Artspace to protect against financial uncertainty and institutional isomorphism through

income diversification on the one hand, while maintaining the cognitive legitimacy associated with a charitable/voluntary sector identity on the other (Minkoff, 2002).. However, at the same time, Artspace staff recognised the disadvantages associated with particular income generating strategies, and sought to pursue only those sources of revenue consistent with its mission (Froelich, 1999).

Organisational restructuring within Artspace was not simply a response to changes in the institutional landscape, but was a strategic way of ensuring that the organisation was in a prime position to respond to wider policy changes. Adaptation is not simply about reacting to external changes after their implementation, but can be proactive or anticipatory in nature (Cameron, 1984; Chew, 2010). The adoption of professional procedures and ways of working from the public and private sectors meant that Artspace was best placed to attain resources and endorsement from other organisations, thereby enabling it to continue meeting its goals (Helmig et al, 2004).

#### *Maintaining Positive Relationships*

Organisations can respond to changing situations by forging links and alliances that provide them with support or legitimacy. For example, having a GP on the board of trustees<sup>49</sup> meant that Artspace could maintain close links with the local health centre. These links were potentially beneficial to both parties: on the one hand, Artspace could continue to have new individuals referred to the service, while on the other, as participation in the arts has been documented to improve the health and wellbeing of individuals and communities, Artspace would potentially relieve some of the pressures on the health service. The development of strong relationships is necessary for organisations that require either resources or legitimacy from others (Klijn and Koppenjan, 2000).

Despite their best efforts to maintain legitimacy with their stakeholders, organisations may at times be unable to avoid events that (re)awaken scrutiny in the way they operate. Nevertheless, they can maintain legitimacy in difficult times by ‘stockpiling’ support and goodwill (Suchman, 1995; Wartick and Cochran, 1985). This can enable managers to “occasionally deviate from social norms without seriously upsetting the organization’s standing” (Ashforth and Gibbs, 1990: 189). It is likely that

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<sup>49</sup> This particular trustee had argued that their presence on the board helped ensure that Artspace did not embrace activities and ways of working that were considered ‘quackery’. Artspace was thus able to maintain ‘procedural legitimacy’ (Suchman, 1995) with health related stakeholders.

the negative impact of user fees and full cost recovery on Artspace was minimised because of the fact that many service users held the organisation in high regard.

Successful organisations must also be capable of repairing lost or damaged legitimacy. To begin with, they must address that which initially led to its reduction or loss. Artspace attempted to do this pre-emptively, justifying the increase in price of the community lunch by admitting that it had been necessity owing to factors outside the organisation's control. For such 'accounts' to be successful, a positive relationship must already exist between an organisation and its beneficiaries.

Organisations may also adopt a tactic known as 'strategic restructuring', whereby they "*selectively* confess that limited aspects of its operations were flawed and can then act decisively and visibly to remedy those particular faults" (Suchman, 1995: 598; emphasis original). Strategic restructuring was a particular 'impression management' technique utilised by Artspace staff. While staff did not reduce the cost of the community lunch in response to a complaint from a service user, at the same time they acknowledged that they had not fully considered the impact of their decisions on the trusting ethos of the organisation, and returned all food to the main tables. In this situation, loss of legitimacy was successfully minimised.

The process of repairing legitimacy can be both passive and active. For example, following the loss in legitimacy with the local community as a result of the failed community car park development, Artspace attempted to improve its relations with local businesses simply through its reluctance to pursue any form of income-generating activity, even where this could potentially have brought the organisation some much needed income. On the other hand, it actively sought to repair losses to legitimacy by fostering dialogue and working in partnership with businesses and community organisations.

This study found that while organisations may attempt to increase their legitimacy through outcomes monitoring or conformity to 'good practice', providing key stakeholders with personal experience of an organisation may be considerably more effective at both creating and sustaining legitimacy. Artspace staff believed in the importance of locating key individuals, nurturing positive relationships with them, and introducing them personally to the organisation and its activities. While it may not be possible for third sector organisations to influence the opinions of statutory organisations as a whole, it may be possible for them to influence key individuals employed within them. This may help to temper the differences in power that often



exist between statutory and third sector organisations, and may be enough to grant the latter valuable concessions.

### *Negotiation*

Negotiation can be defined as “a set of personal and interpersonal dynamics that result in varying acceptability to the participants” (Spector, 1977: 607). It is a specific type of conflict resolution, and differs from coercion given that both parties can theoretically choose to withdraw from the process. Spector discusses four factors affecting whether conflicting interests can successfully be negotiated: the personality needs of the negotiators, the compatibility in personality between opposing parties, perceptions and expectations attributable to the opponent, and the persuasive mechanisms used to attain a favourable outcome.

Artspace had been capable of successful negotiation with a variety of stakeholders. It negotiated the terms of evaluation with the Big Lottery, a non-statutory funder, although this was largely the result of the positive relationship which Artspace staff had forged with the resource consultancy administering this money to projects throughout the region. While successful negotiation with statutory stakeholders may be more of a challenge, it was still possible in some instances. For example, staff successfully negotiated around the terms of a partnership with an NHS Mental Health Trust to deliver a specific project. While there were considerable differences in the working practices of each organisation, Artspace was able to successfully foster a positive relationship with key individuals. This suggested that having persuasive and accommodating staff members may, in some cases, be a more important determinant of a successful negotiation than how close each of the organisations are to each other in terms of their ethos, values, and goals.

As mentioned previously, staff recognised the importance of discussion and dialogue with beneficiaries. This meant that when Artspace was required to implement difficult decisions, it ensured that it continued to consult those directly affected by the organisation, and attempted to take individual circumstances into account. While this was considered to be a time-intensive process, it also helped to minimise legitimacy loss. Beneficiaries were made aware of the fact that Artspace operated within an uncertain financial climate, and therefore accepted that the need to charge service users was largely outside of the organisation’s control. This was emphasised by the fact that

staff also asked beneficiaries for their suggestions as to how money could be raised in other ways.

### *Use of Innovative Techniques*

Innovation is about the creation, marketing, and successful implementation of new products, services, or ways of working in an attempt to respond to emerging challenges or meet existing needs in an effective and efficient way (Chew and Lyon, 2012; Pittaway et al, 2004; Rotheroe and Miller, 2008). While, in some ways, innovation is a form of adaptation to emerging challenges, the major difference between innovation and adaptation is that the former is a strategy that involves considerable risk and uncertainty, whereas the latter assumes that the institutional environment is largely predictable (Paas, 2012).

It has long been recognised that innovation is key to success for organisations within the private sector, which attempt to locate new and profitable strategic opportunities that draw upon their core skills and strengths (Deephouse, 1999). However, despite the potential benefits associated with innovation, it may require organisations to act in a manner contrary to accepted standards or institutional norms (Aldrich and Fiol, 1994; Brinkerhoff, 2005). Third sector organisations that adopt innovative methods may therefore be less likely to gain funding, grants or contracts, than those which utilise tried and tested ways of working (Frumkin and Galaskiewicz, 2004; Meyer and Rowan, 1977). As society demands that organisations are both reliable and accountable, some commentators believe that third sector organisations should focus on maintaining their mission and core values, and should limit any changes to structure and practice (Salipante and Golden-Biddle, 1995).

Organisations with established methods of practice often have greater levels of legitimacy than those which seek to differentiate (DiMaggio and Powell, 1983; Suchman, 1995). That is not to say that organisations have to operate in exactly the same manner, with some degree of difference being allowed within a 'range of acceptability' (Deephouse, 1999). In the private sector, organisations are most successful at "intermediate levels of strategic similarity" (Deephouse, 1999: 147). This corresponds to the concept of 'optimal distinctiveness', whereby organisations obtain their greatest benefits by being similar enough to other organisations whilst maintaining their own, unique characteristics (Giola et al, 2010).

However, organisations willing to tolerate ambiguity and uncertainty can adapt to changing or unpredictable environments through the use of innovative practices (de Zilwa, 2007). Despite the risks, innovative practices can be beneficial to an organisation, and can contribute to its legitimacy in their own way. It is unlikely that Artspace would have become an internationally recognised arts and health organisation, as well as the recipient of a number of awards, if it hadn't been for its successful use of creative and interpersonal techniques. While innovative ways of working may lack the legitimacy associated with established practices, their successful deployment can improve an organisation's standing, both within its immediate community and further afield. For example, Artspace's willingness to engage people with Alzheimer's disease in creative activities improved the organisation's reputation amongst a number of stakeholders, including the beneficiaries themselves, their relatives, the local authority, and partner organisations such as *Age Concern*.

Environmental manipulation is another strategy adopted by third sector organisations, whereby an organisation attempts to create new audiences and legitimise particular ways of working (Chew, 2010; Suchman, 1995). Here, an organisation will "actively promulgate *new* explanations of social reality" (Suchman, 1995: 591; emphasis original), rather than conform (adapt) to its environment. Artspace was able to manipulate pragmatic legitimacy by positioning itself as a community arts organisation which could potentially benefit the wellbeing of all who attend. While on the one hand, Artspace focussed on individuals and groups with a clearly identified need such as those with diagnosed physical or mental health problems, it also identified a new user base for its services – the average member of the community – who previously may not have believed that benefits to his or her health and wellbeing could come about through creative participation.

Artspace could also be said to have manipulated moral legitimacy by conducting evaluations (albeit qualitative ones) in the early stages of its existence. Artspace sought to obtain evidence for the benefits of arts and health practice, which was considered to be a relatively new and groundbreaking field at the time. Organisations based in isolation typically establish their moral legitimacy by accumulating evidence of technical success (Ashforth and Gibbs, 1990; Suchman, 1995).

Artspace manipulated cognitive legitimacy simply through its survival, with arts and health as a practice becoming an increasingly 'taken for granted' and accepted

way of improving individual and community health and wellbeing, both amongst Artspace's immediate stakeholders, and at the level of wider society. However, as authors such as Suchman (1995) and Zucker (1991) explain, such approaches often require collective action to popularise and standardise new techniques of working.

Organisations may also seek to link innovatory methods with established societal values. While being seen as a form of adaptation in response to changing external circumstances, the Discovery Outcomes Tool (DOT) was also an example of organisational innovation. It enabled Artspace to capture aspects of its work that could not be captured by existing outcomes measurement tools, while at the same time, allowing it to retain features of those traditional, established tools desired by funders. Furthermore, the fact that Artspace developed this tool to be used by other arts and health organisations suggested a desire for it to become legitimised, and therefore 'embedded', within the institutional landscape.

*9.2.4: To draw out the implications of this study for third sector organisations as a whole.*

Differences in organisational legitimacy can explain the fact that third sector organisations are required to be somewhat more flexible and yielding than statutory bodies. Statutory institutions are "infused with value beyond the technical requirements at hand" (Selznick, 1957: 17), and therefore have high levels of legitimacy owing to their very nature. While established and recognisable charities such as the Red Cross have built up high levels of legitimacy of their own, many third sector organisations, particularly those operating in new fields, or which have adopted new practices, have comparatively low levels of legitimacy. Therefore, small or newly formed third sector organisations must be fairly elastic to overcome any tensions with the state.

Nevertheless, this study has shown that third sector organisations need not unquestionably comply with demands from more powerful stakeholders, but can draw upon a number of strategies to better manage these demands (Oliver, 1991; Selznick, 1957). Power is multifaceted, and is not held solely by powerful actors and institutions, but can be drawn upon, manipulated, and utilised by all organisations and individuals to achieve particular goals. In some ways, Foucault's concept of 'critique', or the "art of not being governed quite so much" (Foucault, 1997b: 29) is relevant to those third

sector organisations seeking to maintain their independence and constructively manage demands from powerful stakeholders.

Foucault originally located the origins of critique in relation to the resistance of ecclesiastical authority, later applying it to the realm of contemporary political governance (Butler, 2004). He argued that we should not oppose all power relations, given that society can not exist without them (Foucault, 1997a). Indeed, writers in the field of governmentality accept that governance is necessary both to control and regulate society, with the outcome of political revolution simply meaning that one form of governmentality is replaced by another (Kerr, 1999). Many commentators believe that the modern liberal democratic form of government is the ‘least worst’ of all current forms, and can bring certain benefits to individuals; for example, by providing them with the means to become active citizens (Rose, 1996).

While Foucault argues that power itself is a necessary part of society, he also believed that we should oppose those forms of power that have the potential for domination. Critique could therefore be considered to question existing knowledge and ways of working, and act as a form of emancipation, reducing coercion and providing us with greater flexibility and freedom. Critique, however, is not opposed to, or separate from government, but involves active participation in the structures of power that it seeks to oppose.

To Foucault, “critique begins with questioning the demand for absolute obedience and subjecting every governmental obligation imposed on subjects to a rational and reflective evaluation” (Butler, 2009: 789). It is not restricted to governmental bodies and policies, but takes into account all those non-governmental organisations that impose certain restrictions on how organisations may operate (Butler, 2004; 2009). Critique is not concerned with the blanket rejection of dominant discourses, but argues that we should only accept such discourses as truth should there be good reasons for doing so (Foucault, 1997b).

Despite the common assumption that third sector organisations remain passive in the face of particular institutional pressures (Covaleski and Dirsmith, 1988), the case study of Artspace showed that should an organisation have a valid reason for opposing a particular way of working demanded of it, then active negotiation should be investigated as a potential means of gaining concessions from the stakeholder in question. While Artspace generally held similar goals to its stakeholders, in that both parties sought to improve the health and wellbeing of individuals and communities,

there was disagreement as to how best this could be accomplished. Artspace staff did not accept demands without first taking into account how they would impact upon the organisation's working practice and values.

Organisations subject to particular demands from stakeholders should not simply accept these demands unquestionably, but seek to challenge them through dialogue. Recognising that there is not simply one form of 'knowledge' or 'power' can encourage an organisation to be assertive when managing external demands. However, to successfully negotiate with powerful stakeholders, establishing positive relationships with key individuals within these organisations may be necessary. Creating and maintaining such relationships with a variety of key actors should be an essential goal for third sector organisations, given that they can provide an organisation with legitimacy, funding, and other support.

In much the same way as an organisation negotiates with one of its funders, beneficiaries can successfully negotiate with an organisation should it choose to implement decisions that they disagree with. Mitchell et al (1997) argue that the importance that a charity gives to a particular stakeholder is based on three attributes: its power; its legitimacy; and its urgency (or the need for immediate action or attention). Unlike dominant stakeholders such as funders, beneficiaries generally lack the power to impose their will upon an organisation (Cordery and Baskerville, 2011). Organisations have increasingly focussed upon their accountability to powerful stakeholders such as funders, and less upon those that they seek to benefit (Taylor and Warburton, 2003). This 'upwards accountability' has become more prevalent in recent years as a result of the shift from grants to contracts, with funding increasingly being seen as an investment (Arvidson and Lyon, 2013).

However, it is possible for beneficiaries to "pressurize the focal organizations and to challenge the salience of the dominant stakeholder" (Sonpar et al, 2010: 19), which they can do by challenging the charity's reputation should it implement a decision that they disagree with (Cordery and Baskerville, 2011). Beneficiaries can effectively use 'sanctions', or the threat of sanctions, against an organisation (Klijn and Koppenjan, 2000), though research has shown that such active negotiation is more likely to occur when beneficiaries are literate or confident (Cordery and Baskerville, 2011). Artspace staff were more likely to respond to complaints when they were voiced by several individuals. This suggested that for beneficiaries unhappy with an

organisation's direction, a 'strength in numbers' approach may be more likely to result in a favourable outcome.

Finally, it should be recognised that while prevailing discourses can threaten the autonomy of third sector organisations, they are also largely responsible for such organisations existing in their current form. In many ways, the promotion and normalisation of the 'social exclusion' and subsequent 'social inclusion' discourses by New Labour resulted in the creation, expansion and growth of community third sector organisations such as Artspace (Hill, 2001). The state thereby played a considerable role in Artspace's evolution, providing the available funding and support to the organisation to promote New Labour's vision of inclusive and self-sufficient communities. However, while third sector organisations are never going to be truly independent from statutory control and influence, this should not prevent them from negotiating with demands that they feel are not conducive to their way of working.

### **9:3: Summary**

Although third sector organisations appear capable of balancing a number of competing objectives, doing so can be a complex and often time consuming process, requiring the use of multiple strategies. This process is further complicated by the multifaceted nature of legitimacy. As shown through Artspace's complex relationship with a variety of individuals and organisations, what may be legitimate to one beneficiary or specific stakeholder may not be to another, with potential effects on an organisation being impossible to predict. In addition, trustees and staff will often hold differing opinions as to the most appropriate direction an organisation should take.

While some Artspace staff members believed that an informal, voluntary-based approach was the best way to serve the community, others were of the opinion that the organisation should continue its progression towards becoming a professional, modern, and sustainable charity. In both cases, staff provided convincing arguments as to why their particular approach would best benefit the organisation and its service users. I would therefore argue that there is no 'correct' organisational structure or way of working that social enterprises should adopt, but that any decisions should be based on a variety of factors, including the specific characteristics of the local community, the nature of the organisation's work, and the opportunities available to it.

Third sector organisations should not only be aware of the ways in which they can gain legitimacy, but also how it can be maintained, restored or repaired, given that

to some extent, tensions between third sector organisations and their various stakeholders are inevitable. Organisations can successfully manage any challenges to their ethos and practice through a variety of different strategies. Artspace was successfully able to adapt to its wider environment in some instances, and actively manipulate it in others, owing to its ability to adopt innovative practices and negotiate successfully with its various stakeholders.

An organisation's ethos is highly important, and is often closely linked to its '*raison d'etre*'. Therefore, any shifts or changes in ethos may potentially impact upon legitimacy in a number of ways. However, refusing to work outside of a tightly defined ethos may be equally problematic, preventing an organisation from securing funding or identifying emerging needs within a community.

While the 'double bottom line' of both social and business goals may be problematic to some organisations, in Artspace's case, it was only through adopting social enterprise activity and expanding in size that it was able to benefit people to the extent that it did. Rather than always being directly opposed to third sector ethos, social enterprise activity can actively help to maintain and preserve it. In addition, having an awareness of the needs of beneficiaries at all times, and responding to such needs in an individual manner can allow commercial and social goals to exist simultaneously. Artspace proved that it was capable of pursuing entrepreneurial goals whilst also preserving its innovative, independent, and caring ethos.



## **Chapter 10: Conclusion**

### **10.1: Introduction**

The previous chapters introduced the concepts, theories and methods drawn upon in this study, introduced the case study organisation, and discussed the ways by which third sector organisations can successfully manage a variety of challenges to their way of working. This chapter summarises the research process and findings, drawing some broad conclusions about the nature of this work and its implications for the third sector in general. It briefly summarises the research background and the aims of this project, discussing the particular concepts utilised throughout. It then summarises the findings from each of the empirical chapters, before discussing how this research has contributed to the literature. Finally, it discusses any policy implications, considers the limitations of the project, and identifies potential areas for future research.

### **10.2: Summary of the Research Background and Process**

This project sought to explore the tensions between third sector organisations and the wider environment within which they operate. Third sector organisations have, in recent decades, become increasingly involved in running informal social care services which had previously been provided by the state (Bridge et al, 2009). However, the increasing importance of the third sector as a means of fulfilling statutory needs has resulted in organisations experiencing greater levels of governance and control (Sud et al, 2009). This has included a greater emphasis on private sector management structures, a focus on techniques of good practice, and higher levels of routine evaluation and monitoring (Morison, 2000).

The consequences of this may be the loss of an organisation's independence (Phillips, 2006), whereby it effectively becomes part of a wider 'shadow state' (Conradson and Milligan, 2006). Reliance on one particular stakeholder for resources or legitimacy can lead to a dependency relationship, whereby the suppliers of the resource exercise considerable power and influence over the recipient (Pfeffer and Salancik, 1978).

Adoption of social enterprise activity can allow third sector organisations to resist statutory demands and the threat of institutional isomorphism (Foster and Bradach, 2005). However, this brings with it a number of potential challenges and

tensions of its own (e.g. Austin et al, 2006; Spear et al, 2007). Whether a third sector organisation chooses to remain entirely voluntary-based, or whether it seeks to raise external income, either through the state or the market, it will likely face various challenges to its scope, ethos, and ways of working (Bennett and Savani, 2011; DiMaggio and Powell, 1983).

By undertaking this study, I explored the characteristics of third sector ethos and values. I investigated how organisations can manage any challenges and tensions, identifying any barriers to their successful operation. Many third sector organisations have a specific, caring ethos, based upon the provision of individualised support (Nevile, 2010). Discovering how an organisation's ethos can influence its formation and growth can result in a better understanding of its ability to absorb, resist, and adapt to any challenges and tensions.

The concept of Foucauldian governmentality was a useful means of understanding the impact of powerful external discourses upon an organisation and its way of working, particularly given that many of these discourses, such as the importance of professional management structures, are not imposed upon organisations, but are adopted freely by them in the belief that they are the only valid or correct way of working (Oliver, 1991). The promotion of such discourses of professionalisation contributes "to the co-optation, incorporation, and neutralisation of alternative ideologies and ways of being" (Jenkins, 2005: 613), making it difficult for organisations to work in their own, unique way. However, despite the apparent totality of such discourses, Foucault argues that power can be negotiated and resisted (Butler, 2004). For example, theories of impression management highlight an organisation's ability to actively manage external challenges to their own advantage (Elsbach, 1994; Goffman, 1959).

The fact that such a study was developed in collaboration between Artspace, the CASE organisation, and myself as a researcher, suggested a mutual relationship; akin in some ways to the relationship between a third sector organisation and one of its funders, with both parties having particular expectations of the other. Although the relationship between the third sector and the state has always been shifting, and has involved some degree of tension and negotiation given the divergence of values and expectations, such a study came at a valuable time for the researcher. Third sector organisations must respond to immediate shortfalls in income as a result of the recent recession and subsequent austerity measures. They must also manage an increase in the

number of beneficiaries, many of whom are in increasing need of community services and support owing to welfare reforms and increasing unemployment. While this project was a case study of a single organisation, many other third sector organisations experience similar challenges, concerns, and dilemmas, with the findings of this project thus having relevance to the sector as a whole.

To understand the particular processes involved when an organisation responds to challenges to its ethos, an ethnographic case study was adopted. By spending a year observing the organisation and participating in its activities, I was better able to understand its ethos and how it impacted upon working practice. In addition, by spending considerable time with staff in the office, was I able to learn more about the complex nature of third sector management and the day to day challenges organisations face, which are largely kept out of sight of beneficiaries and the general public.

### **10.3: Summary of Key Findings**

On the one hand, this project had a practical aspect, highlighting the challenges that multi-stakeholder third sector organisations face, particularly where their stakeholders hold competing demands. It suggested possible ways they could manage any challenges to their values and ways of working, and highlighted the range of strategies that they can draw upon to minimise legitimacy loss amongst particular stakeholders. On the other hand, findings were conceptual in nature, exploring the mechanisms of Foucauldian governmentality in the diffusion of norms and methods of ‘best practice’, and highlighting how governmentality can be used to rationalise and explain the various external influences upon an organisation’s structure, development, and internal procedures.

Chapter 5, the first empirical chapter, investigated organisational change within the third sector with reference to the concept of ‘institutional isomorphism’. It argued that restructuring is an inevitable process for many organisations, given the increased emphasis on the benefits of corporate structures of management within the public and third sectors (Salamon, 1997). A focus on accountability demanded by a variety of funders, coupled with the development of a common professional identity, has made it increasingly difficult for third sector organisations to operate in an individual and unique manner. In addition, as an organisation expands in both size and scope, it often

works with a broader range of stakeholders, who are increasingly likely to hold diverging opinions as to the most appropriate direction it should take.

However, while Artspace had changed considerably since its conception, a process which resulted in tensions between staff members, and in some cases, between the organisation and the wider community, it has always attempted to prevent organisational tensions from impacting negatively upon its caring, holistic, and welcoming ethos. Therefore, while institutional isomorphism states that organisations will gradually conform to dominant discourses and norms, this study found that they can still retain some degree of agency to respond to such demands in ways that can ultimately benefit their own values and practice (Oliver, 1991; Powell, 1985).

In similar ways to Chapter 5, Chapter 6 investigated organisational responses to external demands. However, this chapter had a specific focus on the issue of outcomes monitoring and evaluation. As with the increased formalisation and professionalisation of third sector organisations, this demand for evidence can be explained through the concept of Foucauldian governmentality. Here, the state attempts to manipulate both individuals and organisations for strategic purposes. This can occur through self-discipline, or through the imposition of practices of ‘government at a distance’ such as quantified monitoring (Miller and Rose, 2008).

This chapter found that despite the difference in working practices, expectations, and values between the state and the third sector, the latter was able to engage with these demands in a healthy manner, embracing some aspects, whilst actively seeking to negotiate or manipulate others. Again, despite the differences in power, third sector organisations are capable of influencing powerful stakeholders to some extent, suggesting that the concept of institutional isomorphism can only partially explain the relationship between an organisation and the environment within which it operates (Oliver, 1991). Therefore, to fully understand how organisations can respond to their environments, it is necessary to acknowledge both the external control and strategic choice perspectives (Goodstein, 1994).

Chapter 7 focussed on some of the internal tensions that third sector organisations may face, drawing upon the specific example of user charges. In a similar sense to the previous two chapters, this chapter argued that organisations must approach the issue strategically. Maintaining a positive relationship with beneficiaries is vitally important to organisations, given that they often exist only because of a

demand for their services (Ossewaarde et al, 2008). An organisation's beneficiaries therefore provide it with a valuable source of legitimacy (O'Regan, 2001).

The adoption of user fees and social enterprise activity as a whole is not simply a reactive response to external challenges, but a particular strategy that organisations can draw upon to diversify their sources of income. This, in theory, results in them being less susceptible to institutional isomorphism (Dart, 2004b). Despite the benefits of charging to an organisation, it may have a negative impact upon its accessibility. Charging may result in reduced legitimacy, even in the eyes of those who can afford to continue to attend.

However, in much the same way as they maintain legitimacy with external stakeholders, organisations can negotiate with their beneficiaries to ensure a positive outcome for both parties. While the use of strategies such as 'impression management' (Goffman, 1959) are a means by which organisations can manage these tensions, this, by itself, may not be enough. Artspace was required to critically examine and adapt its own practice both during and after controversial decisions such as the implementation or increase of beneficiary changes. The desire to maintain organisational legitimacy, in some cases, can have a greater impact on an organisation's decision-making processes than the desire to raise income.

Chapter 8 was the final empirical chapter, which, again, largely focussed on organisational attempts to obtain and maintain legitimacy with beneficiaries. It had a particular focus on attempts by Artspace to ensure that as many people as possible could benefit from its services. Maximising accessibility can be a challenge for third sector organisations and social enterprises, and can be influenced by factors including an organisation's positioning and the perceptions of the local community. Some organisational decisions may have unexpected effects upon legitimacy or accessibility, persisting for months or even years afterwards.

Tensions may emerge between an organisation's ethos and particular demands and expectations from beneficiaries. An organisation may have to make considerable changes to its goals, values, and working practice to meet the needs of some individuals, suggesting that despite an organisation's best efforts, it may not be possible for it to be fully inclusive.

Chapter 9 drew out wider themes associated with the previous four empirical chapters. It argued that while organisational responses to challenges are largely driven by attempts to maximise legitimacy, doing so can be a complex and challenging

process, with legitimacy being both contradictory and multi-faceted. For example, an organisation's ethos and social goals can both support and hinder the development of legitimacy, given the wide range of different wants, needs and opinions expressed by beneficiaries, funders, and other stakeholders. This chapter argued that ethos is a complex and contested issue. Organisations may prioritise ethos over other demands such as the desire to raise income or maintain legitimacy with stakeholders. Ethos has formal and informal elements, being both the stated (written) aim of an organisation, and also comprising those beliefs held by its employees. Ethos is also fluid and dynamic, being connected to other attributes of an organisation such as its structure and day to day working practice. As such, it may be impossible for organisations to completely avoid changes to some aspects of their ethos, should they seek to expand, restructure, or modify their working practice. For some organisations, modifying their ethos in response to changing policy can, however, be highly beneficial.

Organisational restructuring and the implementation of social enterprise activity can affect an organisation in a number of unseen or unpredictable ways. Staff were unaware that Artspace's previous focus on mental health, coupled with its plans to open a community social enterprise within Moughton, would have a long-term negative effect on how it was perceived. It could therefore be said that while social enterprises not only experience financial risk, they also experience risk concerning their ethos and values, and therefore their legitimacy, often in ways that are difficult both to predict and control for.

While there may be considerable differences in power between third sector organisations and their stakeholders, they do not have to acquiesce to external demands, but can successfully draw upon a range of strategies to maintain their independence. In much the same way as organisations can resist or 'critique' external demands from stakeholders, the opportunity for negotiation or resistance is also open to service users, should an organisation implement changes that they disagree with. As the legitimacy bestowed by their beneficiaries is hugely important to third sector organisations, collective action from beneficiaries, such as through the threat of sanctions, can enable them to gain some control over organisations and thereby influence their direction (Klijn and Koppenjan, 2000).

## **10.4: Contribution to the Literature and Future Research**

### 10.4.1: Contribution to the Literature

This research provided a valuable in-depth, longitudinal investigation of how third sector organisations can manage a number of competing demands. It explored how organisations engage with social enterprise activity, the benefits and challenges of doing so, and how this activity is perceived both positively and negatively by different stakeholders. It provided greater insight into the importance of the social entrepreneur, and argued that organisational ethos is inherently bound up with key individuals. This study also showed that successful organisations must maintain positive relationships with a large number of stakeholders; a process requiring the successful use of multiple strategies. It also showed that the adoption of innovative techniques is essential for organisational success, and can help them balance any competing objectives.

#### *Entrepreneurial activity*

This project built upon the literature concerned with how third sector organisations first engage with social enterprise activity. Rather than simply discussing the characteristics and structure of a single, self-identified social enterprise, this project outlined and explored the processes associated with the implementation of income-generating activity, highlighting the challenges that organisations and their employees face. This study provided a valuable insight into how a single, third sector organisation successfully managed an immediate shortfall in income as a direct consequence of the post-2008 recession.

Research investigated the strategies adopted by social enterprises to maximise the opportunities available to them, highlighting the fact that organisations adopt multiple, competing strategies, often at a variety of scales. Social enterprise activity is itself a specific, innovative strategy, drawn upon by organisations in an attempt to maintain their independence and maximise the possibility of survival; albeit one that may impact negatively upon legitimacy and resources (Defourny and Nyssens, 2006).

Research added weight to the argument that a social enterprise's expansion and potential success is influenced significantly by the characteristics of the community in which it is based (Amin et al, 2002). The success or failure of specific social enterprise activity may rest on specific 'micro' factors; not only concerned with the nature of the local community, but also with an organisation's history, relationship to other

organisations, and characteristics of any key actors. This study found that there is no ‘tried and tested’ model that aspiring social enterprises can adopt, with success or failure ultimately depending on a complex web of relationships and experiences, many of which are historically embedded.

This study found that the adoption of social enterprise activity and other aspects of organisational restructuring can affect staff as well as beneficiaries. Predicting the success of an enterprise is further complicated by the fact that the legitimacy associated with entrepreneurial activity is not uniformly held by its employees. They may hold differing opinions as to how commercial an organisation should become, or react differently to any proposed changes, suggesting that while organisational ethos may, from the outside, appear to be both stable and universally held, on closer inspection it can be highly contested.

#### *The importance of the individual*

This study agreed with the assertion that it is more revealing to investigate social entrepreneurs and their motivations than specific organisational types (Bridge et al, 2009). It revealed the extent to which the founder of a third sector organisation or social enterprise can influence its formation, growth, and success. While an entrepreneur may have identified the perfect opportunity within a community, this counts for nothing unless she or he can convince a variety of different individuals and organisations that the proposed enterprise is viable (Tracey, 2012a).

Social enterprises are a manifestation of the entrepreneur’s ethos, values, and philosophy, with his or her personal legitimacy being important to an organisation long after its establishment. This study highlighted the emotional and practical challenges that may occur when an organisation’s founder relinquishes his or her control over an organisation that he or she may have spent considerable time and effort nurturing.

#### *Negotiating stakeholder demand*

Research provided an in-depth study of how demands for evaluation can impact upon a small, community-based organisation, and investigated how it may affect organisational ethos and working procedure. While there has been considerable research into how organisations are subjected to governance by the state, this has generally been theoretical and wide ranging in nature. This study provided practical evidence of the impact of statutory discourses on a single arts and health organisation,



and investigated how these discourses were absorbed, resisted or negotiated by staff, beneficiaries, and practitioners.

This study showed that the state can effectively govern the third sector 'at a distance' through quantified monitoring, the imposition of standardised ways of practice, and through legal requirements (Miller and Rose, 2008), which can impact upon organisations at the micro-level. Arts and health organisations in particular face considerable challenges, given the indirect nature of their benefits, the community focus of many projects, and the fact that many of their beneficiaries are vulnerable individuals who may react negatively to intrusive evaluation.

Nevertheless, this study also showed that organisations, even those that are small scale in nature, have both the desire and capability to challenge dominant discourses, with the notion of 'power' being fluid and contested. At the same time, it showed that the state and the third sector are not as radically different from one another as is often imagined, with both parties often sharing the same long-term goals.

Third sector organisations can successfully draw upon the concept of 'impression management' (Goffman, 1959); not only when negotiating with funders and partner organisations, but also when managing internal disagreements and challenges with beneficiaries. Current literature on impression management largely focuses on how organisations can resist or negotiate with external stakeholders (Oliver, 1991; Teasdale, 2009). This study went one stage further, investigating the flows of power between an organisation and its internal stakeholders. It discovered that while beneficiaries are perceived as having comparatively little influence over major organisational decisions, there are still various opportunities for resistance.

The process of impression management can be far more extensive than is often portrayed. While it is often seen as a means by which organisations can obtain resources or negotiate any pressing demands with stakeholders (Lounsbury and Glynn, 2001), the use of impression management is widespread, being used in a variety of situations where legitimacy could potentially be affected. This study found that impression management techniques were widely used by Artspace in a pre-emptive manner, thereby ensuring that the organisation was in the best position possible to manage any future challenges.

### *The importance of innovative behaviour*

While an organisation's direction is often influenced by powerful or dominant stakeholders, what may at first appear to be evidence of institutional isomorphism may in fact be a strategic decision taken in order to maximise opportunities. Institutional isomorphism is therefore an overly simplistic way of looking at social enterprises, especially considering that innovative or experimental ways of working are often part of their very nature. Organisations may choose to make innovative decisions if they believe that this will benefit them in the long term, even where there is no guarantee of success.

A willingness to adopt a flexible and adaptable approach can explain the success of social enterprises and their ability to successfully balance both social and economic goals. This study highlighted the fact that innovative behaviour can occur at a variety of scales within an organisation, from the ways in which staff work with service users, through to how organisations attempt to manipulate organisational legitimacy by creating new audiences for their activities.

However, the successful implementation of innovative behaviour is dependent on a number of factors. Organisations may have innovative ideas that are ultimately not implemented owing to a lack of human and financial resources. In addition, dominant discourses can prevent certain ways of working from being recognised. Organisations may attempt to minimise the risk associated with innovative practices by combining them with established ones, with this study finding that it is not just the structure of social enterprises that can be hybridised, but also their working practice.

#### 10.4.2: Possible Future Research

This study researched the process of negotiation from the perspective of a third sector organisation, and to a lesser extent, its beneficiaries. However, as negotiation is a two-way process, future research could investigate the process from the perspective of external stakeholders, be they statutory funders, partner organisations, or private donors, and focus on the specific strategies and techniques that these stakeholders can adopt to ensure a favourable outcome from their perspective. Future research could also investigate whether the relative power of each stakeholder determines the strategies used when negotiating with an organisation.

Research into community-based social enterprises should also focus on potential beneficiaries who choose not to use the organisation for whatever reason, and

investigate why they believe it is not for them. While some people may have legitimate reasons for not wanting to use a specific service, in Artspace's case, there was evidence that some people were deterred from using the organisation who might otherwise want to. Improved understanding of the barriers to access can be useful to third sector organisations with an ethos based around social capital, social inclusion, and individual and community wellbeing, and which ultimately seek to benefit the lives of as many people as possible.

### **10.5: Implications and Suggestions for Third Sector Organisations**

#### *The Necessity of Critical Cooperation*

Despite differences in the values and expectations between third sector organisations and the state, in many cases both parties desire similar outcomes: a desire to improve the social capital of communities, to encourage social inclusion, and to improve people's physical and mental health (Morison, 2000). Third sector organisations therefore need not either fully resist institutional demands or fully comply with them, but can occupy a 'middle ground', whereby cooperation between the state and the third sector can occur in a positive yet critical manner. This approach is known as 'conflictive cooperation' (Covey, 1998; Evers, 1995). A positive relationship between the third sector and the state is beneficial to both parties, given that third sector organisations are often reliant on the state for funding and legitimacy (Laratta, 2009a), whereas the state is increasingly dependent upon the third sector for effective service provision (Morison, 2000).

Third sector organisations need not unquestionably comply with statutory demands, but can use techniques of negotiation to emphasise the benefits of particular ways of working while maintaining a positive relationship throughout. In addition, although the state may criticise the 'unprofessional' nature of the third sector, and the third sector criticise the rigid and inflexible demands of the state, there is evidence to suggest that both sides can successfully learn from one another, with such cooperation often being necessary to maximise the benefits to individuals and communities.

Commissioning bodies and statutory stakeholders could recognise the fact that third sector organisations have their own, unique way of working, based upon the specific characteristics of the community within which they operate, and should be given room to work in the way that they see best. In addition, they should recognise

that new and experimental ways of working with individuals and communities can bring considerable benefits, and that restrictive or short-term grant and contract funding can stifle such innovative behaviours. Many social enterprises and third sector organisations must work in flexible and creative ways in order to improve the health and wellbeing of any hard to reach individuals. On the other hand, third sector organisations could acknowledge the reasons why funders require evidence of their efficacy, especially considering that some organisations have been accused of spending public money inefficiently, or of overemphasising their impacts to beneficiaries (Westall, 2009).

Third sector organisations could recognise the possibilities for partnership working with the state, and the potential benefits this can bring, whilst also being aware that they can maintain a considerable degree of agency to negotiate or otherwise resist demands that may impact negatively upon their ethos and values. In addition, while competition between third sector organisations is increasing, owing to reductions in funding availability (Kendall, 2005), this study has shown that actively developing relationships with other third sector organisations can have mutual benefits to both parties, helping to foster the spirit of trust and cooperation commonly associated with the sector.

#### *The Value of Innovative Behaviour*

This study has shown that being capable of understanding, predicting, and responding to tensions and challenges can help third sector organisation gain or maintain legitimacy with a variety of stakeholders, which, in turn, can correspond into an increased likelihood of obtaining resources. Therefore, in some ways, innovative behaviour can be closely linked to organisational legitimacy.

However, innovation may be threatened by the fact that third sector organisations often have conflicting or contradictory goals. For example, organisations may have medium to long-term goals based around responding to emerging needs in a unique way, thus necessitating the use of innovative or risky techniques. However, organisations also have short-term goals, which are typically based around satisfying stakeholders and meeting particular outcomes demanded of them. These short term measures may produce ‘ritualistic behaviour’, geared towards satisfying these immediate goals, therefore having a detrimental impact upon an organisation’s ability to be both flexible and creative (Kanter and Brinkerhoff, 1981).

On the other hand, innovative behaviour can bring its own risks, threatening an organisation's survival and its legitimacy with any stakeholders. However, despite these challenges, organisations should not attempt to minimise risk, and should recognise that innovative behaviours can pay dividends, which, in Artspace's case, resulted in it being able to benefit individuals and the community in new and effective ways. Even if 'risky' behaviour does not go as planned, organisations can still draw upon a number of techniques to manage this; for example, by having numerous sources of income, or by utilising techniques such as accounts, justifications, or defensive impression management (Ashforth and Gibbs, 1990; Tedeschi and Melburg, 1984) as a way of 'saving face' or minimising losses to legitimacy.

### *The Benefits of being Community-Focussed*

Although Artspace had received money to run the equivalent of a day centre for people experiencing mental health difficulties, the organisation never focussed solely on people with disabilities, and always sought to be as inclusive as possible. Evidence from this study suggests that organisations such as Artspace, which focus on the needs of the entire community, can play an effective role in fostering social inclusion, preventing institutionalisation and helping to challenge stigma and misinformation. It has only been in recent years that mental health policy has promoted the benefits of community-based activities for those with disabilities (NIMHE/CSIP, 2006; NSIP, 2008).

Integration between people with disabilities and those without can have a number of benefits to individuals and communities. Members of the public who engaged with people with mental illness in other studies showed improvements in attitudes that were "significantly greater than protest, education or control conditions" (Corrigan and Shapiro, 2010: 910). Equal status between those with mental illness and those without can occur whenever "contact provides opportunities for friendly and intimate interaction among service users" (Corrigan and Penn, 1999: 771). Physical integration between marginalised groups and members of the wider community does not result in social inclusion per se, but this initial contact is often the first step towards changing negative perceptions and challenging misinformation.

While many providers of services to people with disabilities believe that having an inclusive focus may risk the loss of a 'safe space' for vulnerable service users (Swan, 2010), this study has shown that such risks can be avoided, with Artspace

being capable of maintaining both a community focus and a safe and supportive environment for vulnerable individuals. A number of techniques can be used to achieve this, for example, by offering quiet classes, having friendly and supportive employees, and through ensuring that the ‘space of engagement’ is both homely and pleasant.

### *One of Many Routes to Improved Wellbeing*

Many arts and health organisations, and indeed, third sector organisations as a whole, which seek to benefit the health and wellbeing of individuals and communities, often attempt to maximise their remit and benefit as many people as possible. Although many employees are enthusiastic as to the potential benefits their organisations can bring, at the same time, they should recognise that, no matter how inclusive they attempt to be, there are some people who, for whatever reason, may not benefit from their intervention.

There is a need for greater recognition, both from the state and from the third sector organisations themselves, that there is no one activity or way of working that can benefit all people universally. Instead, a number of activities and support strategies, be they employment related, creative in nature, or which offer the option for informal social contact, should be available to vulnerable individuals, and indeed, to the community as a whole.

### **10.6: Final Remarks**

This thesis explored, through a case study approach, the ways in which third sector organisations are influenced by their external environment, how their ethos, values, and working practice may be challenged, and the strategies organisations can draw upon to manage a number of often conflicting demands. All third sector organisations, whether they are small charities reliant on voluntary support, or multi-stakeholder social enterprises, must face a variety of competing demands from funders, beneficiaries and employees, all of which provide the legitimacy and resources necessary for organisational survival.

However, the fact that these organisations can balance these various demands, whilst also providing high quality and responsive services, is testament to their ability to ‘think outside the box’ and seek new and untried solutions to any problems that they face. While there is no doubt that the future of informal, social care provision lies within the third sector, the capability of social enterprises and other such organisations

to offer effective and innovative yet cost-effective services to individuals and communities suggests that the increasing importance of the sector should be welcomed by all.

## Postscript



*Figure 10.1: The Great Rock, a local landmark.*

A glacial erratic, known locally as the ‘Great Rock’ (figure 10.1), is situated on the moors nearby to Moughton itself, and is considered by Moughton’s residents to be a defining symbol of the town. I visited the rock on several occasions – by myself, with the Artspace singing group on Midsummer’s Eve, with a friend who came to visit me in Moughton one weekend, and during the Jubilee celebrations in 2012 as a beacon was lit nearby.

On a warm evening in late summer, shortly before it was time to say goodbye to all my friends and acquaintances in Moughton and head back across the country to Durham, I sat alone, on top of the rock, enjoying the sweeping panoramic views of the North Pennines, with the peaks of the Lake District visible far off in the distance. As I contemplated the views from the rock, it struck me that Artspace was in itself something of an erratic; something you would not expect to find in a small, rural market town, in the same way that one would not expect to find a Great Rock in the middle of a windswept and boggy patch of moorland.

Nevertheless, despite its exposure to the elements since it was deposited on these slopes at the end of the last ice age, the Great Rock has survived; persisted in the same spot on the moor for millennia, becoming an accepted and valued part of the local landscape. Given the positive impact Artspace has had on the community, and indeed, further afield, I believe that the organisation is slowly becoming an enduring and recognised aspect of the local landscape in much the same way. I just hope that it



can remain resilient enough to manage any external challenges, while at the same time, maintain that warmth of welcome and innovative approach to community wellbeing that sets it apart from other informal social care organisations.

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## **Appendix 1: Typical interview schedule for service users**

- How did you first find out about Artspace?
- How long have you been participating in the activities at Artspace for?
- Has Artspace changed in any way since you started attending?
- What do you feel that Artspace stands for?
- Has attending Artspace had an impact on your life in any way?
- What do you like about Artspace?
- Is there anything you would change about Artspace?
- How do you think Artspace will change in the future?
- How would you feel if Artspace had to close?
- Do you feel you can contribute to how Artspace operates?
- Could you give me some reasons why you think people in the community do not use Artspace?
- How do you feel about the fact that the Artspace is open to everyone and not just people who experience some form of exclusion or have particular needs?
- Do you feel that there are any particular groups of people that Artspace could do more to work with?
- How would you feel if you had to pay to attend Artspace activities?
- Where in the community do you spend the most time?
- Which places within the community are the most important to you?
- Where in the community do you feel you belong the most?

## **Appendix 2: Typical interview schedule for practitioners**

- How did you first find out about Artspace?
- When did you first get involved with the organisation?
- What does your role at Artspace involve?
- How has the nature of your work changed over time?
- How do you feel Artspace is perceived within the local community?
- What do you believe could be done to attract new people into Artspace?
- In what ways do you believe participation in art can assist with people's health and wellbeing?
- How do you get participants involved with activities or help to maintain people's interest?
- Would you say that there have been any changes in the way participants are monitored or evaluated within the organisation?
  - Why do you think this is?
  - Does this ever pose any difficulties or challenges?
- What are your personal views regarding the potential charging of participants who use the service?
- Regarding the 'what you can' can, were you given any guidelines about how you can encourage people to contribute?
- What would you say is the most memorable activity at Artspace you've helped with?
- How can you see Artspace developing in the future?
- What do you feel are the biggest challenges facing the organisation in the future?
- Would you change anything about Artspace or the way it operates, and why?



### **Appendix 3: Typical interview schedule for core staff members**

- How did you first find out about Artspace?
- When did you first get involved with the organisation?
- What does your role at Artspace involve?
- Has the nature of your work changed over time?
- Where does Artspace obtain its income?  
How has this changed over time?  
How can you see this changing in the future?
- What are your personal views regarding the potential charging of participants who use the service?
- How much does Artspace charge for room hire?  
Does room hire differ depending on the client in question?
- How much of its own income do you believe that the organisation can viably raise itself?  
Is there potential for more income generating activity within the organisation than at present?
- Has the organisation had to make cuts or reduce spending in its day to day operations, and if so, where have these cuts been made?
- [Member of staff] mentioned that the organisation was “top heavy” with 50% of expenditure going on staff income only. Has this figure changed over the time you have been working at Artspace?  
Do you feel that this figure can be reduced?
- How do you think ‘arts in health’ schemes are generally perceived by the wider public and key stakeholders?
- In what ways do you believe that Artspace has been successful?
- How can you see Artspace developing in the future?
- What are the biggest challenges facing the organisation in the future?
- Would you change anything about Artspace or the way it operates, and why?

#### **Appendix 4: Typical interview schedule for trustees**

- How did you find out about Artspace?
- Why did you decide to become a trustee?
- Could you please tell me a little about what your position involves?
- Has Artspace changed in any way since you started working with the organisation?
- Have you ever experienced any tensions or disagreements with core staff as to how the organisation should be run?  
How were these tensions/disagreements resolved?
- How do you think arts for health initiatives are generally perceived by those in the statutory sector?
- How do you think arts for health initiatives are generally perceived by the wider public?
- How do you feel that participation in arts and creative activities can benefit people's health and wellbeing?
- Have there ever been any challenges to the organisation's core values in the past?
- Can you foresee any potential challenges to the organisation's core values in the future?
- Why was it felt that an organisational review was needed?
- What are your personal views regarding the potential charging of participants?
- How do you feel that Artspace has been successful?
- How do you believe that Artspace will change in the future?
- Would you change anything about the way Artspace operates?

## **Appendix 5: Participant Information Sheet**

### **Negotiating Performance: accountability and monitoring creative and caring practices for wellbeing**

Peter Swan, Department of Geography, Durham University

This research project seeks to investigate how organisations such as Artspace can maintain their unique ethos in the face of various demands. These demands may come from participants, funders, or from other organisations they interact with. This project involves working closely with both staff and participants to gain a broad picture about how the organisation operates, and seeks to understand how it negotiates any challenges. My research involves participation in a number of classes within the organisation, to investigate how the ‘Artspace Ethos’ is found through the nature of the activities, the atmosphere of the building, and the relationship between practitioners and participants. It also investigates the importance of the organisation both within the local community and further afield.

In order to gain a wider picture about the ways in which the organisation’s ethos is maintained through day to day practice, I have decided to conduct interviews with a number of participants at Artspace. Interviewees have been chosen so as to provide a broad cross-section of those who attend Artspace.

Your participation is entirely voluntary, and you have the right to withdraw from this research at any point. Interview data will remain strictly confidential, and will be deleted once my research project has come to an end. Any information used will be anonymised, and I will ensure that you are not identifiable in any way through my research. I aim to discuss my findings with you at a later date, to ensure that you are happy with the information you provided. Ethical approval for this research has been granted by the Geography Department at Durham University.

Your participation is important in helping me to understand more about the nature of Artspace. I aim to feed back my findings to staff and participants, which will hopefully lead to improvements in the way the organisation operates. I hope that my research is useful to other, similar ‘arts in health’ organisations. I also hope that my research will lead to increased public understanding of what ‘arts in health’ is, and the benefits to health and wellbeing that participation can bring.

If you have any additional questions about this project, please do not hesitate to contact me either by catching me in Artspace, or through email at [p.j.swan@durham.ac.uk](mailto:p.j.swan@durham.ac.uk).

Many thanks for your help.

Peter Swan

## Appendix 6: Research Ethics and Data Monitoring Forms

### Research Ethics and Data Protection Monitoring Form

Research involving humans and environmental impacts by all academic and related staff and students in the department is subject to University requirements for ethics and data protection review. The Department's Research Ethics and Data Protection Peer Review Group will assess research against the guidelines given by the British Sociological Society Association and the Natural Environment Research Council.

It is a requirement that prior to the commencement of all research that this form be completed and submitted to the Department's Research Ethics and Data Protection Peer Review Group. The Peer Review Group will be responsible for issuing certification that the research meets acceptable ethical standards and will, if necessary, require changes to the research methodology or reporting strategy.

A copy of the research proposal detailing methods and reporting strategies is attached

Name of principal investigator or main applicant: **Peter Swan**

Title of research project: **Negotiating Performance: accountability and monitoring creative and caring practices for wellbeing**

Main subject area:      **Human**              Physical              Interdisciplinary

#### Questionnaire

		YES	NO	
1.	Does your research involve living human subjects?	X		
2.	Does your research involve only the analysis of large, secondary and anonymised datasheets?		X	
3a.	Will you give your informants a written summary of your research and its uses?	X		If NO, please provide further details and go to 3b
3b.	Will you give your informants a verbal summary of your research and its uses?	X		If NO, please provide further details
4.	Does your research involve contemporary covert surveillance (for example, participant observation)?		X*	If YES, please provide further details
5a.	Will your information <i>automatically</i> be anonymised in your research?	X		If NO, please provide further details and go to 5b
5b.	IF NO Will you explicitly give <i>all</i> your informants the right to remain anonymous?			If NO, why not?
6.	Will monitoring devices be used openly and only with the permission of informants?	X		If NO, why not?
7.	Will your informants be provided with a summary of your research findings?	X		If NO, why not?
8.	Will your research be available to informants and the general public without authorities restrictions placed by sponsoring authorities?	X		If NO, please provide further details
9.	Have you considered the implications of your	X		Please provide full

	research intervention on your informants?			details
10.	Are there any other ethical issues arising from your research?	X		If YES, please provide further details

**Further details (please include any potential risks to the environment from your research and the steps taken to address the consequent ethical issues):**

4) The participant observation will not be covert as everyone at the organisation, as well as service users, will be told about who I am and what I am there to achieve. However, people may forget when I am around all the time due to the nature of my participation in the running of the organisation. I will develop strategies to ensure that periodically, people are reminded as to why I am there.

9) Participants (both staff and service users) will be given the option to opt out of participation in my research at any time. They will be told about the purposes of my research, and will be reassured that if they choose to participate, their anonymity will be preserved. All participants will be informed in advance if I want to use a tape recorder to record an interview or focus group, and people would be able to opt out at any point, even after the interview has been conducted. Participants will be told that anything they say will be anonymised, and that once transcription has been completed, the interview data will be deleted. I aim to discuss my findings with everybody concerned, and people will be given updates at various intervals. As well as ensuring that people are comfortable with my findings, such an approach would be useful at allowing people to confirm that what they said is true. 'Artspace' stated that they are happy for me to use their name when presenting at conferences, or discussing my research with friends; however, any dissemination to wider audiences will involve full anonymity of the organisation and location given that at times, sensitive topics concerning relationships with other bodies may be discussed.

10) Some of the users of 'Artspace' are marginalised or vulnerable individuals, for example, experiencing mental health difficulties or who have recently been diagnosed with cancer. I do not have any counselling training, so I will ensure that I do not get into roles in which I am unqualified. I will ensure that my role boundaries are clearly defined, with assistance from the staff at 'Artspace'.

In order to develop trust, I aim to introduce myself to people in a volunteer role, helping to assist people in the running of the centre. I also aim to be fully open about my purpose as a researcher, and discuss my own concerns and interests regarding wellbeing, social inclusion, and the nature of the research. I currently volunteer at a day centre for people with mental health difficulties.

Continuation sheet YES/NO (delete as applicable)

***Declaration***

I have read the Departmental Guidance on Research Ethics and Data Protection and believe that, where appropriate, the research proposal complies fully with the requirements of the documents listed (Appendices B-F) and The Durham University Principles for Data Protection ([http://www.dur.ac.uk/data.protection/dp\\_principles/](http://www.dur.ac.uk/data.protection/dp_principles/)). I will not deviate from the methodology or

reporting strategy without further permission from the Department's Research Ethics and Data Protection Peer Review Group.

Signed..... Date.....

Signed (Supervisor)..... Date.....

**Submissions without a copy of the research proposal (see below) will not be considered.**

## Summary of Research Proposal

Name of Student: **Peter Swan**

### *(1) Context and Research Questions*

This project aims to investigate how a third sector organisation, in the process of becoming a social enterprise, maintains its ethos while meeting the expectations demanded of them by their stakeholders or users. Artspace must manage relationships with a number of organisations, some of whom they have entered into a contractual agreement with (for example, to provide day support for people experiencing poor mental health), or who they apply for income from (e.g. the Big Lottery). This research will thus investigate the conflicts between innovative and localised practices and inflexible or bureaucratic demands. Four preliminary research questions have been identified:

- To investigate the accountability requirements to service users (internal accountability) on one hand, and to stakeholders on the other (external accountability).
- To investigate the ways in which organisations can develop and foster relationships with the local community.
- To investigate whether the move towards social enterprise has affected the structure or management of organisations, and whether this has led to conflict.
- To investigate how organisations can successfully foster community wellbeing, and how this success is measured.

I believe that this project is significant as research into social enterprises as a whole is comparatively limited (Peattie and Morley, 2008). In this era of risk and risk prevention, and a blending of third way and neo-liberal politics, it is necessary to focus on how social enterprises manage relationships with various actors, both state and non-state, and the ways in which they can resist dominant discourses of power. Artspace is a community arts and wellbeing centre which has won several awards for its groundbreaking approach, focussing on community participation and adopting a holistic model of recovery. The organisation's location, within a small market town of 3000 people in a largely rural district, can be considered as unique in many ways. While every social enterprise developed under different circumstances, findings from this project could never be generalisable. However, such research may provide some potential ideas for good practice in other organisations, as well as providing an insight into the challenges third sector organisations face on a day to day basis. It could also investigate the issues associated with Artspace's desire to diversify their sources of income.

### *(2) Proposed Methods*

The research will be conducted at one known site, Artspace in Moughton, Northern England. I aim to relocate to Moughton or a nearby settlement in October 2010. Artspace is the CASE partner in this research. The staff are fully aware and supportive of my work, and so there are no anticipated problems with access. I may conduct interviews with or speak with funders or commissioners, on the other hand, and access in this case may be more difficult; however, assistance may be provided by staff at Artspace when building relationships. Fieldwork will involve a 12-month ethnographic study of the organisation, allowing me to gain a rich account of the internal spaces of the organisation and the way in which it operates. I aim to conduct overt participant observation in a voluntary role, allowing me to gain the trust of people over time and provide them with the opportunity to offer inputs and suggestions. The participant observation will be triangulated through interviews and focus groups. I aim to adopt a participatory approach if possible, allowing subjects to gain something from, and reflect upon my research.

### *(3) Communication of Research Findings*

I will provide Artspace with a copy of my thesis, and will also create a more accessible document describing my findings and any possible recommendations for improvement. I aim to provide a brief summary which will be written with the purpose of communicating my findings to service users. Powerpoint presentations will be created for use at conferences, and I aim to publish some of my research in relevant, peer reviewed journals. Although Artspace has given me permission to use their name, this will be anonymised as far as possible when disseminating my results to the wider public. All service users and staff who contribute to my research will automatically be anonymised.

## Appendix 7: Parent and sub-codes

### **Nature of the organisation**

#### **Physical spaces of the organisation**

#### **Artspace activities**

##### **Nature of the activities**

##### **Memorable events/activities**

#### **Ethos and values**

##### **Adaptability of Artspace**

##### **Contested ethos**

##### **Influence of neo-liberal discourses**

##### **Service user progression**

##### **Direct challenges to ethos**

##### **Safeguarding ethos**

##### **Criticism of the medical model**

##### **Criticism of neo-liberal discourses**

#### **Sources of income**

#### **External stakeholders**

##### **Networking and partnerships**

##### **Legal/regulatory requirements**

##### **Statutory stakeholders**

##### **Non-statutory stakeholders**

#### **Internal stakeholders**

##### **Volunteering/volunteers**

##### **Practitioners**

##### **Characteristics of practitioners**

##### **Role of practitioners**

##### **Relationship with Artspace**

##### **Introduction to Artspace**

##### **Tensions with core staff**

##### **Philosophy and beliefs**

##### **Recruitment process**

##### **Practitioner emotions**

##### **Service users**

##### **Characteristics of service users**

##### **Opportunities to contribute**

##### **Service user activity within the community**

##### **Introduction to Artspace**

##### **Understanding of organisational ethos**

##### **Awareness of organisational decision-making process**

##### **Service user emotions**

##### **Core staff**

##### **Characteristics of staff**

##### **Links with external stakeholders**

##### **Philosophy and beliefs**

##### **Challenges and disagreements**

##### **Introduction to Artspace**

##### **Recruitment process**

##### **Staff emotions**

##### **Trustees**

##### **Characteristics of trustees**



- Links with external stakeholders
  - Philosophy and beliefs
  - Challenges and disagreements
  - Introduction to Artspace
  - Recruitment process
  - Trustee emotions
- External perceptions of Artspace
  - Perceptions of arts and health
- Past changes and history
  - Importance of founder
  - Innovative and pioneering activity
  - Successes and achievements
  - Inspiration behind Artspace
- Identified benefits of the organisation
  - Variety
  - Common interests of service users
  - Ability to signpost
  - Social inclusion
  - Flexibility
  - Offers structure to service users
  - Social interaction
  - Enables positive identity
  - Offers encouragement and support
  - Benefits to personal attributes
  - Improvements to health
  - Homely environment
  - Positive atmosphere
  - Enjoyable activities
  - Benefits of creative participation
- Organisational issues and challenges
  - Internal challenges
    - Organisational direction
    - Attracting new service users
      - Cost of access
      - Capacity issues
      - Activities not for everyone
      - Service user accessibility
      - Visibility/publicity issues
      - Underrepresented groups
  - Logistical challenges
  - Improving community perceptions
  - Tensions between the organisation and beneficiaries
  - Tensions between beneficiaries
  - Constraints to operation
  - Competition
  - Organisational dilemmas
  - Unrealised activities
  - Modernisation
    - Benefits of modernisation
    - Disadvantages of modernisation
    - Specific issues associated with the modernisation process

**Financial challenges**

**Social enterprise activity**

**Cuts in spending**

**Service user charges**

**Positive aspects**

**Negative aspects**

**Specific issues relating to the charging process**

**External challenges**

**Funding challenges**

**Stakeholder and statutory demands**

**Evaluation**

**Benefits to organisation of evaluation**

**Disadvantages to organisation of evaluation**

**Specific issues associated with the evaluation process**

**Financial and political climate**

**Evidence base for arts and health**

**Changing policy environment**

**Conditions of access for service users**

**The future of Artspace**

**Identified ways in which Artspace will change**

**Potential improvements within Artspace**

**Nature of the wider community**

**Moughton residents**

**Moughton businesses**

**Moughton services**

**Other third sector organisations in Moughton**

**My role as researcher**