

NCOSS 2006 CONFERENCE

HUMAN SERVICES IN 2020

A VIEW FROM LARGE NOT FOR PROFIT PROVIDERS

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SETTING THE SCENE

To be able to envision the future, we need to understand the past, although in our case it is the immediate past as change came late to the sector with an awakening at the turn of the century. I will firstly reflect on what has been happening in our world – that of a large non profit focused on children and education – in a macro sense through the lens of a number of important stakeholders. This could be as broad or as narrow as we choose but I will concentrate on the early childhood years to bring a sharpness to the reflection although the complexity of the interconnectedness of the myriad relationships remains. I will then use The Smith Family as a case study to briefly illustrate in a practical way some of the critical points that have taken us through a total transformation to meet the challenges of the 21st century in line with the tectonic changes occurring in our external environment. We are in a generational change cycle and as such the foundations laid down over the seven or so years of transformation are leading us to our vision for 2020 which I will examine with you. Some models which we have considered whilst on our journey will be explored.

PREVAILING POLICY PARADIGMS

At a recent international meeting in Sydney organised by NIFTeY (National Investment for the early Years) Professor Helen May, Head of the Faculty of Education at the University of Otago in New Zealand introduced the concept of policy “gazes” or paradigms that have framed perspective on, for example, children in New Zealand over the years in a cumulative fashion which may provide us with a back-drop for our deliberations (May 2006). May suggests the following:

18 th Century	Survival (interest in the physical wellbeing of children)
Late 19 th Century	Moral (interest in the appropriate socialisation of children)
Early 20 th Century	Physical (interest is in protection of children within the home)
1940s – 50s	Psychological (development problems)
1960s-80s	Equity (interest in equitable access to early childhood, education and care - ECEC)
1990s onwards	Economic (ECEC as providing foundations for a productive workforce)
Future	Citizen? (all children have a right to ECEC)

May indicated that the “citizen” phase was slowly emerging at the turn of the century, exemplified in the idea that preschool education and care should be a right for all children, not just those at risk. It also hints at the increasing participation of children as citizens, which is beyond current discourse of provision and protection for children. According to May, ECEC policy change in New Zealand required multi-level advocacy within certain “windows of change” such as:

1. Report of the Consultative Committee on Preschool Education (1947 – Psychological gaze)
2. “Before Five” report (1988 – Equity gaze)
3. “Pathways to the future” 10 year Strategic Plan (2002 – Economic gaze)

New Zealand is now entering the 4th year of the “Pathways” strategic plan and the difficult process of implementation.

In Australia similar debate around ECEC policy has occurred, prompted largely by international discourse. In 2000, Australia positioned itself at the “crossroads” in the context of the influential OECD report “Starting Strong” – similar in nature to New Zealand’s “pathways”.

May believes the Antipodean experience of ECEC is very different to that in the Northern Hemisphere. Much of the time we do not wait for government to do things – there is instead a lot of “sector activism”. However, this has contributed to the ‘complexity, diversity and fragmentation’ that characterise ECEC policy in Australia (OECD 2001 p.14). In the context of NZ, creating cohesive policy effectively required them to go beyond these divides and “start again from the ground up” (May, quoted in The Smith Family 2006a).

CONVERGENCE OF PLAYING FIELDS

The changes which we have been, and are living through, make it difficult for some of us to make sense of our world today let alone envision human services in 2020. The words of Dr Susan Raymond, Chief Analyst associated with OnPhilanthropy.com provide a neat summary of some aspects of the confusion:

“Things used to be fairly clear, at least so I am told by those older than me. Private corporations sold things in the marketplace. Governments protected the national security and made sure people followed the rules. Charities took care of society’s poor and its orphans and widows. Individuals and families took care of pretty much everything else.

“Today, very little is clear, at least by yesterday’s metric. Non-profits compete with corporations in the marketplace for everything from used cars to health care. Government agencies are setting up charitable foundations. Private entrepreneurs are taking the principles of the marketplace into social service provision via venture philanthropy.

“Is this an identity crisis or further proof of evolutionary theory where we see converging playing fields of commercial markets and non profit endeavours?” she asks (Raymond 2002).

In the final decades of the twentieth century the roles, function and fields of expertise of governments, non profits and business have all come under more intense scrutiny and begun to converge around issues that might loosely be grouped together as relevant to societal wellbeing. In particular, there has been a fundamental shift in the role of government. As this is reappraised and recalibrated and the state moves towards what some commentators have labelled as facilitation in the ‘enterprising state’ (Considine, 2001), so too are the respective roles of the community, non profits and business all subject to ongoing reappraisal and recalibration. From these will hopefully emerge appropriate arrangements for human support systems that can best equip people for life in 2020 and beyond. This is not unique to Australia.

Last year the OECD (Organisation for Economic Cooperation and Development) prepared a document for the Social Policy Ministerial meeting which was looking forward to the next five years, entitled *How Active Social Policy Can Benefit Us All* (OECD 2005). It noted:

'The need to reach beyond the public sector in order to achieve a more ambitious agenda for social policy confronts all OECD countries. The trend towards more diversified institutional arrangements in social protection is likely to continue, although probably not to the point of overwriting current cross-country differences in the organisation of social protection or the diversity of approaches that underpins different types of programs. While the recent experience with greater reliance on the private sector suggests that it is unlikely to relieve much pressure on the public purse, it also points to the scope for giving individuals a greater range of choice, leading to programs that are better tailored to individual circumstances, and expanding total provision in some areas. At the same time, a greater role for private financing and delivery increases the importance of public oversight and decision-making to assure effective systems of social protection. A better mesh of private and public roles rests on recognising not only the advantage and drawbacks of different approaches to organising social protection but also their potential to work as complements rather than substitutes. Some of the specific areas where a better mesh between the public and private sectors could be achieved are:

□ **Investment in families and children**

Investing in families gives children the best possible start in life and will boost economic growth. Supporting parents to earn and care reduces the risk that children grow up in poverty and neglect. Policies to promote child development and the reconciliation of family life and work are essential. But the government cannot do this alone – workplaces must adapt to parents' needs. Family-friendly policies might also boost birth rates.

□ **Active social policies to tackle poverty**

Active social policies aim to get people off benefits and into work instead of perpetuating a state of dependency. Active social policies that work are: good social and employment supports, making work pay, requiring people on benefits to look for work or training, and making the different public agencies work better. But it is not only about getting people into jobs; more effort needs to be made to help people keep jobs and to develop careers. Policy needs to move from the slogan "welfare-to-work" to that of "welfare-in-work".

□ **Mobilising all groups of society for social protection**

Governments cannot do everything: Individuals, employers and community groups need to take responsibility for social policy. Individuals may want to have more choice of services, community groups understand local needs better than central authorities do, and it is in the interest of employers to play a larger role in social protection. Successful companies in the future will be employing parents, ensure equal access and consistent high quality of privately-provided social services.' (OECD 2005 p.52)

Governments or Governance in Transition

In *The Patchwork Nation: Re-Thinking Government – Rebuilding Community* Don Edgar wrote in 2001 ‘Government has to become governance – increasingly, self governance – because of the days of top down, one-size-fits-all solutions are gone’ “intelligent government will become polycentric, adept at resourcing networks” (Edgar 2001). Mark Considine in *Enterprising States*, also published in 2001, explored the fundamental shifts that were taking place in the paradigms of governance in Western bureaucracies as they used privatisation, private firms and market methods to run core public services (Considine 2001). His research found three governance reform strategies – procedural, corporate-market and networking – as a response to the current hierarchy and functional specialisation, which we have come to understand as silos or barriers to progress in governments and the bureaucracies that serve them. Considine believes in Australia we are prepared more than other Western nations for the **network governance model** which has the following characteristics:

Source of rationality	=	relationships
Form of control	=	co-production
Primary virtue	=	flexibility
Service delivery focus	=	brokerage

Or in short, strategic partnerships. We should, therefore, be more effective in:

Mobilising commitment

Sharing information

Investing in new technologies

Creating common service standards, and

Focusing attention on the real needs of suppliers and clients.

Arguing that Australia is advancing down the network model is cause for optimism but Considine’s research shows that such a model is more widely embraced by non profits (78.3) than for profits (72.0) and governments (69.3). It might explain why community business partnerships are growing but we still have problems with getting a whole-of-government approach.

But we shouldn’t get too optimistic as according to Professor Peter Saunders of the Social Policy Research Centre who, in commenting on social exclusion, made the point “*It is an issue that requires a cross-government perspective when studying it, and an inter-governmental approach to addressing it. This will require the active involvement of both federal and state / territory governments as well as input from local government. ‘Joined up government’ is a favourite buzz-word of the Blair government but Britain, of course, does not have a federal system to contend with. We do, and therein lies the potentially biggest obstacle to moving this issue forward.*”

“There is little sign that federal-state financial relations are improving, and even less when it comes to a genuinely cooperative approach to policy development. As has happened all too often in the past, policy has given way to politics.” (Saunders 2001).

It is perhaps salient to remind ourselves at this point that *“one of the living purposes of federation is, in the national interest, to redistribute resources so as to achieve the maximum strength of the whole”*. It is inherent upon us to ensure that federation works as intended and not be an impediment to progress.

Communities in Transition

There has also been a paradigm shift in how we view communities and how communities view themselves. There has been a transition or phase-shifting process occurring that is brought about by vertical cooperation between the different layers of government and horizontal coordination of the various agencies located in a particular place.

The phases of *community regeneration* can be categorised as follows and it is important to acknowledge the *capacity enhancement* as you move along the continuum which brings with it a *shift in power structures*, in this case signalled by the prepositions (ie in the model of welfare provision we do things to communities whereas regenerated communities are masters of their own destiny):

Phase of Community Regeneration	Capacity Enhancement
Welfare provision	To
Community Projects (Development)	For
Place Coordination	With
Place Entrepreneurship	By
Regenerated Communities	As

Non Profits in Transition

Another OECD publication entitled *“The Non profit Sector in a Changing Economy”* (Paris 2003) says *“the non profit sector has emerged world-wide during recent decades, mainly as a response to the crisis of welfare systems and to the perceived need to reshape them, notably in the European context and as a new strategy against social and economic exclusion”*. *“It is a far more significant economic force around the world than is commonly thought.”* Furthermore, *“it is clear that in the countries in which the non profit sector is well established it is becoming more entrepreneurial, less dependent on public funding and therefore experimenting innovative ways of raising funds. It is also more willing to participate in the design of new evaluation tools, able to measure the outputs of its activities as well as the outcomes and, therefore, the ‘social value added’.* *“However, a gap clearly exists between the role that the non profit sector plays at the local*

level and the recognition it receives from policymakers at a national and local level, who often do not have a clear understanding of the role that the sector can play.” One of the conclusions of the publication is “that we are in a multi-dimensional market, in which different entities can co-exist and in which the non profit sector has grown in importance...” In a chapter on Australia, Julie Novak from what was DFACS argues that “the adoption of an entrepreneurial spirit by the Australian non profit sector stems from the fact that it is currently undergoing a profound transformation and is increasingly called up to respond to new social and economic demands”. And she notes: “There has also been an increasing tendency over the past decade for the Australian non profit sector to engage in a wider range of partnerships with governmental agencies and business organisations.”

Business in Transition

In 2003 the University of Sydney’s Faculty of Economics and Business held a seminar where leaders were asked to give their personal vision of Australia’s future. Chris Sykes of the University of NSW said, and all speakers agreed, “today’s biggest social problems are tomorrow’s biggest business opportunities. But acting on this would require a paradigm shift in many Australian attitudes towards leadership, both corporate and political”.

A pattern which is beginning to emerge and is echoed by many commentators is that corporate Australia needs greater flexibility and humility because the more we study the major problems of our time, the more we realise they cannot be understood in isolation. They are systemic problems meaning that they are **interconnected and interdependent**. We need leaders who excel in the quadruple bottom line - judged on returns on human, social and natural capital as well as share value.

Enter Corporate Citizenship

Corporate Citizenship, according to A J Vogl in an article “Across the Board” entitled “Does it Pay to be Good?”, means different things to different people.

For believers, and I would fall into this category, it is the “dawning of a new era of capitalism” when business, government and community join forces for the greater good. For critics it ‘smacks of hypocrisy – big business’ response to charges of greed and corruption”. For many it is a diffuse concept and is another way of talking about the triple bottom line with sustainable development added in.

The problem is that in Australia we are dragging our feet but it is being taken very seriously in Europe and in pockets of the USA.

ABOUT THE SMITH FAMILY – A CASE STUDY ABOUT A LARGE, NATIONAL, INDEPENDENT, SOCIAL ENTERPRISE AND ITS VISION FOR THE FUTURE

Transformation

As the turn of the century loomed large, the TSF Board was obviously concerned about what impact the organisation was having in terms of social inclusion. We have a proud history but the increasing numbers of families seeking the help of TSF and similar organisations were not the intended metrics.

We needed to focus for impact, avoid duplication, use our enterprising culture and ensure we could justify what we were doing.

The key societal changes that influenced us were:

- ❑ Increase in lone parents/blended families
- ❑ Women in the workforce (time poor families)
- ❑ Loss of sense of “community” or “belonging”.
- ❑ Decline of the extended and then later nuclear family
- ❑ Ageing population
- ❑ Portfolio careers
- ❑ Over 700,000 children living in jobless families including intergenerational

The degradation of the glue that binds us meant large numbers of our children were vulnerable and what of our future society?

As in many developed countries, wealth is being created in two income families with no children and children are being born into families in the lower quintiles where our jobless are. Some girls are becoming mothers at 16 years and grandmothers at 32 while at the other end of the spectrum the figures are – mothers at 32 years and grandmothers at 65. What will the mothers and grandmothers have in common?

During 1998 TSF prepared itself for change, conducting an extensive environmental scan to determine our future agenda. As a consequence we divested ourselves of our aged accommodation to allow us to refocus on disadvantaged children and their families.

In 1999 armed with the facts, we set our strategic directions based on 8 guiding principles and started a major organisational transformation. We are emerging from this seven year transformation and are about to enter a growth phase.

Guiding Principles for The Smith Family Transformation

That we should;

- ❑ Be about societal change
- ❑ Refocus on disadvantaged children within the family context
- ❑ Work with and through other organisations
- ❑ Be evidence-based and community focused

- ❑ Move steadily along the change continuum to the prevention and early intervention end
- ❑ Diversify our sources of funding
- ❑ Be national in presence as well as spirit
- ❑ Enhance our internal capacity particularly using technology

Working with and through other organisations is for us about partnerships and “agency” models. It is acknowledging we are part of a system and our work needs to be integrated with that of others centred on the participants.

Being evidence-based is required because we need to know that what we are doing provides benefit while minimising harm, and if things don't work we have to jettison them from our plans.

To “move steadily along the change continuum to the prevention and early intervention end” is the driver for our program changes. We first sought outcomes in the short-term, ie at the school to work or further study transition while working steadily to achieve outcomes in the medium-term, ie at the home to school transition eventually being able to seek outcomes in the long-term at the birth and early development transitions.

Our first approach to diversifying our sources of funding was to become very serious about corporate community partnerships as relationships of equals. We already practise self-help, having a commercial enterprise based on textile recycling and manufacturing which covers some of our infrastructure costs. Our community enterprise is predominantly composed of 25,000 women who make up VIEW which stands for voice, interests and education of women. It was started in 1960 when women were more isolated than today.

Participation and engagement

The Smith Family acknowledged that we were entering the knowledge era that is characterized by an increase in participation of those who have previously been marginalized or excluded on the one hand, and an increase in the engagement of those who have the capacity to give of time, talent or dollars on the other hand. The result is an increase in human capital. Including social as well as economic participation helps to restore social capital.

Without duplicating the work of others, and understanding our strengths, TSF determined that it was *participation in education or learning which we should concentrate on, unlocking opportunities for disadvantaged students to participate more fully in the education process initially but ultimately to be about learning over the life course because we are not only considering a snapshot in time.*

Participation

“Learning for Life” or Lifelong Learning

Our major strategy became a suite of programs under the rubric of Learning for Life. Its characteristics are:

- ❑ Financial scholarship
- ❑ Personal support (Education Support Workers, role models, mentors, tutors)
- ❑ Overcoming barriers to participation: literacy (comprehension/reading; financial; technological)
- ❑ Intervention at key life transition points such as school to further study or work, primary to secondary school, home to school
- ❑ Embedded in community (collocations in schools)

Scholarships provided by sponsors from the general public help the students look the same and fit in – they aren't excluded from activities through lack of money. Personal support is needed because of the family situation – the students need a significant other outside the family to open up their world. We concentrate our programs on literacy enhancement.

Our research shows that the barriers to participation are reading and comprehension – the homes of our students are often devoid of any books or reading material and 'education' is not necessarily highly valued; financial – not having money doesn't help you to value it and know how to make it work for you. Banks aren't used and aren't trusted. It is technological exclusion that signals the illiteracy of the 21st century and exacerbates both social and economic exclusion. Poor neighbourhoods have poor schools who have limited shared technology and there are no funds for internet connections both at school and at home. TSF is a foundation partner in Australia in Microsoft's global Unlimited Potential initiative that aims to use technology as an 'enabler' to connect and strengthen disadvantaged communities. We work with and through a number of community-based groups to facilitate opportunities for disadvantaged Australians to access informal training in the use of computers and the Internet. 100 Community Technology Learning Centres provide not only a place where people can use technology, but also a forum for them to meet and engage with other members of their communities. We work with such groups as the Australian Seniors Computer Clubs Association

We are concentrating our interventions at key transition points and much work has been done on helping students to transition from school to further study or work but given that prevention is greater than cure, we need to start early to give every child the best start in life.

The Early Years

- ❑ Exponential understanding through the use of imaging techniques of the functioning of the human brain and how learning pathways are embedded together with knowledge of the environmental circumstances that best promote early growth and development is helping us understand how we should intervene working with community partners such as “Good Beginnings”.
- ❑ We are all too aware of the reality of the words of the World Bank: “Transforming this knowledge into action is the major limiting factor in implementing early child development programs and requires the combined support of governments, non-government organizations, the private sector and the media” (Young, Ed., 2002 p.330).
- ❑ The return on investment metrics are convincing when working with business. They understand that investing \$1 early saves \$7 or move downstream (Parkes 2000).
- ❑ Here we are not just working with the children, of course, but teaching parenting skills, and focusing on maternal and child health, early learning development and restoring *child friendly communities*.

Indigenous Australians

- ❑ Indigenous Australians are the most disadvantaged and the starting point according to some elders is to “give them a purpose in life”
- ❑ We have been learning about culturally appropriate ways to provide opportunities using sport as the carrot to encourage the children to attend school.

TSF is ultimately about societal change

- ❑ At the program implementation level we aim to increase the personal and collective resources of *individuals*, their *families* and, for **sustainability** purposes, *communities* to help them develop skills and capacities they need to respond to challenges and grasp opportunities.
- ❑ We can summarise this as an **asset building** (or strengths based) as opposed to a deficit-bridging model for overcoming disadvantage

Place Management

- ❑ This is a contemporary way of looking at a whole of community approach with an organisation playing a coordinating role and services within the community working in collaboration.
- ❑ For this to be successful we need a system-wide approach preferably working to a common agenda

- It needs to be inclusive not only in terms of providers or practitioners etc but also for “clients” or participants
- We call the latter a universal approach as opposed to a targeted approach
- For TSF to play a leadership role in place management we have been building trust within over 70 communities, displaying our credentials, or what we have to offer, and declaring our intentions.

It was a place or location approach which our research indicated in 2000 we should adopt if we were to provide opportunities and encourage the disadvantaged to participate in our programs. We know that the chances that social policy will be successful in addressing individual needs are enhanced when “clients” cooperate in collective efforts to ameliorate their own adversity.

Engagement

- 1998 Prime Minister’s Social Coalition or Community Business Partnership was established.
- Corporate Social Responsibility is very much on the agenda and in this point in time is manifesting itself in community business partnerships. In this time-poor society enlightened companies now provide volunteering opportunities to their staff through such partnerships.
- The Smith Family does not believe it could achieve its vision of a “more caring and cohesive Australian community” without this as experiential learning breeds understanding and tolerance. It couldn’t achieve its mission of “unlocking opportunities for disadvantaged Australians to participate more fully in society” without such support – in mentoring, tutoring, volunteering in a multitude of ways.

We have a large number of corporate partnerships that assist with our mission by providing expertise, dollars and goods in kind. Our most valuable provide us with “growth” capital to increase in a sustainable way the number of students on Learning for Life.

As well as increasing participation and engagement, The Smith Family focuses on bringing about change in the sector and in our society. We are intent on bringing about change in the way the sector’s work is financed – through promotion of an investment mentality – and through governance. We have been encouraging an investment approach to funding social strategies as scattergun funding has little lasting impact. We need to pool resources for higher impact and leveraging capability. This year we have 23,500 students on Learning for Life and some may participate for up to a 17 year period. This is not sustainable without an investment approach. So we believe:

- We have to combine the policies and practices of long-term investment and venture capital models of the for-profit sector with the principles and public benefit missions of the non-profit. The non-profit sector in the future cannot rely on one single financing instrument – the grant/donation.

- An investment approach shifts the focus from start-up funding to long-term sustainability. Such an investment approach also identifies organisations that have a track record in innovation capacity and are responsive to a constantly changing environment as opposed to simply funding short-term projects and programs.

The Smith Family concurs with the sentiments of the OECD that we are in a multi-dimensional market in which different entities can co-exist and in which the non-profit sector has grown in importance.

TSF AND INNOVATION IN THE SECTOR

TSF has been founding partners in a number of new initiatives including Nonprofit Australia which aims to assist capacity building of leading organisations in the sector; Social Ventures Australia which is linking social entrepreneurs with venture capital by building sound business cases with the assistance of business mentors; and the Australian Research Alliance for Children and Youth which is a collaboration of researchers, policy makers and practitioners translating knowledge into practice in the early years.

Importantly, TSF has been excited to be part of the Australian Government's initiative, Communities for Children, which brings together many of the concepts outlined above. TSF is the Facilitating Partner in seven communities.

- Communities for Children is the most innovative stream of Stronger Families and Communities Strategy Phase 2, an investment of almost \$500 million over a four-year timeframe, announced by the Prime Minister in April 2004. It brings together elements of the National Agenda for Early Childhood and The Social Coalition (networked governance). Communities for Children has taken a place management, systems approach to ensuring children in disadvantaged communities can have the best start in life.
- It is also about cultural change in the not-for-profit sector. Community organisations have been designated as Facilitating Partners in 45 disadvantaged communities.

As well as being the "bankers" or exercising stewardship of public monies over the four years, Facilitating Partners are responsible for "brokering" joined up services with local agencies in the designated community to deliver programs as agreed by local residents as priorities for them.

Facilitating Partners are also leveraging further investment from local and state governments, business and the community in general.

For The Smith Family this government innovation provided us with the opportunity to put into practice our contemporary knowledge using our preferred approach which we hope will prevent future social and economic exclusion, accepting that the desired outcomes will take time to manifest, possibly beyond 2020.

We believe that decentralisation may improve the quality of democratic participation and the involvement of local citizens and “clients” who are responsive to local needs may be the best way to empower such citizens to participate in decision making. In summary, it is about:

- ❑ Developing a formal strategic planning process based on evidence of needs and what works
- ❑ Applying a systems perspective
- ❑ Ensuring that new investments are strategic and leveraged, and that existing funding is made more flexible and sustainable.
- ❑ Making Connections:
 - To connect families to the opportunities, resources and networks they need to succeed;
 - To link and build the capacity of key community-based organizations; to improve the chances that residents and families will have the information they need to engage in collective advocacy, mutual support and self-help.
- ❑ Tailoring solutions to a particular community in line with a national framework.
- ❑ Providing comprehensive, not piecemeal solutions
- ❑ Solutions which treat root causes, not symptoms
- ❑ Solutions which will have a long-term focus, not optimising for short-term needs (investment).

Communities for Children is also about **integration**, for example, an enabler for welfare to work reform. Over the next four years a supportive environment is being constructed in the event of changes being made to lone parent payments and obligations as well as the disability support pension.

Intergenerational learning can also be anticipated not just through parenting programs but involving senior citizens in programs such as *Let's Read*, a Smith Family initiative with a community child health centre, which is encouraging the practice of reading to children, and the Community Technology Learning Centres where adults can learn technology but impart wisdom and life experiences to younger participants.

Communities for Children can also assist with **capacity building** of the sector. Project management skills, which are a feature of business but not as yet widely used in the sector, are required in such a large investment with multiple stakeholders. But the initiative has also brought into focus the need to improve the viability of **all** non profit organisations (large and small) for the benefit of Australian society. NonProfit Australia can assist here given it has identified five key strategies where it will focus its work and measure progress towards achieving its mission:

- ❑ Increase the capabilities of non profit **leadership teams and Board members**
- ❑ Increase the **financial capacity** of the sector
- ❑ Reduce **operating costs** of non profit organisations

- Improve the **quality and transparency** of non profit organisations
- Stimulate **collaboration** across the sector.

MODELS FOR MOVING FORWARD

We are fortunate to live in an era of rapid information technology-enabled transfer of information. This is making it easier to learn what may be possible from a variety of sources without having to reinvent the wheel, such as:

... from other countries

In recent years we have looked to Canada and the Institute for Advanced Research in particular for fundamental research; to the USA for applied research, work on stakeholder engagement, modelling of systems approaches and measurement; to the UK for joined up government frameworks and resourcing.

One of the most exciting reports I have read in recent times is about community regeneration of a place called Camden near Philadelphia and it was commissioned by the Annie E. Casey Foundation (2001). The Preface to the first of three reports states that Camden is one of 22 cities that are sites for the Casey Foundation's Making Connections initiative. It states: 'The Foundation's investments in Camden to date have sought to promote three objectives: to recognise, honor (sic) and enhance the visibility of the important work being done every day to connect families to the opportunities, resources and networks they need to succeed; to enhance the effectiveness of this work by helping to link and build the capacity of key community-based organizations; and to improve the chances that Camden's residents and families will have the information they need to engage in collective advocacy, mutual support and self-help' (Annie E. Casey Foundation 2001).

If we were to analyse Camden's objectives you will see each is important. We need to emphasise the three because sometimes the first is forgotten and we start de novo insulting those who have been struggling to make things happen for years without the resources. The second is what recent initiatives are seeking to do – The Australian Research Alliance for Children and Youth and Nonprofit Australia. The Communities for Children initiative has similar guiding principles.

... from other disciplines

In Australia we can learn from health in the early 1980s when we started to take a more preventive approach.

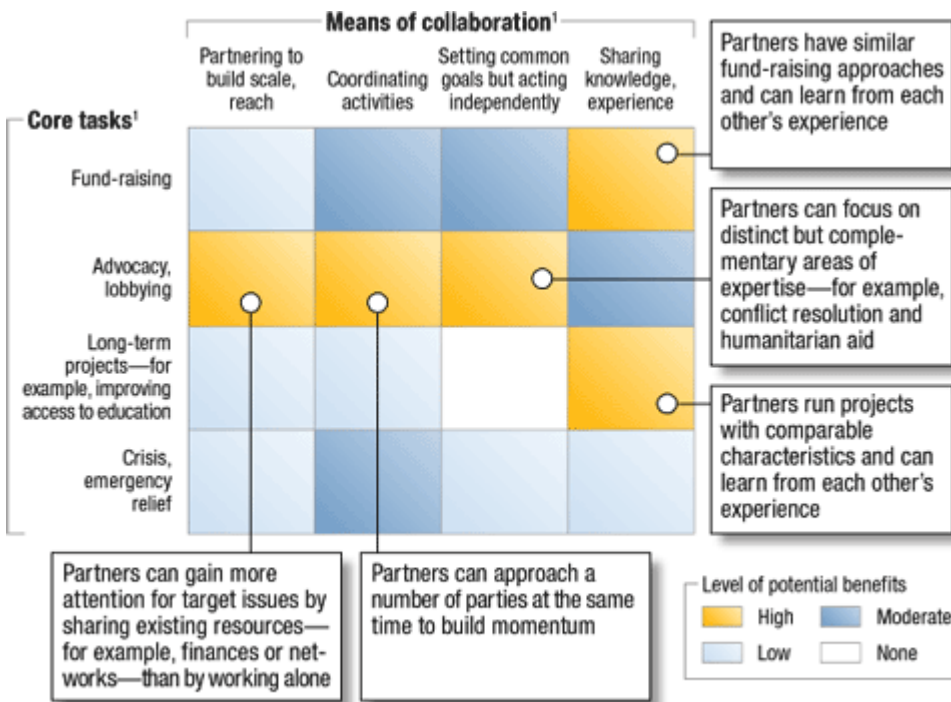
... from business

In respect of partnerships these days global corporations routinely tie up to 20% or more of their assets in alliances (ie now prefer partnerships to mergers and acquisitions). The highest-performing companies captured a disproportionate share of the alliance opportunities and locked in the best partners. One key to success is pursuing a full range of alliance opportunities.

- **Innovation:** for example Pepsi's joint venture with Starbucks to create a line of ready-to-drink coffee products
- **Extension:** enter new channels to reach new customer segments – for example, Coca-Cola's bottled-water distribution partnership with Danone
- **Geographic:** use partner's liquid assets – for example, General Mills' joint venture with Nestle to market breakfast cereal outside North America.
- **Performance:** for example outsourcing

... from non-profits

Collaboration with others in the non-profit sector is growing but there is a word of caution that often we try to collaborate across a range of tasks and geographies that our governance structures can't handle. It is better to focus on tasks that could have the biggest impact on our shared goals.



¹For disguised international-development NGO.

We can also look to our own uniquely Australian contemporary model.

COAG

COAG Indigenous Trials

A model which should be examined carefully is that of the COAG Indigenous Trials (Commonwealth of Australia 2005). In November 2000 The Council of Australian Governments agreed that all governments would work together to improve the social and economic wellbeing of indigenous people and communities. COAG agreed on a reconciliation framework based on three priority areas:

1. Investing in community leadership and governance initiatives;

2. Reviewing and re-engineering programs and services to ensure they deliver practical measures that support families, children and young people. COAG also agreed that governments should look at measures for tackling family violence, drug and alcohol dependency and symptoms of community dysfunction; and
3. Forging greater links between the business sector and indigenous communities to help promote economic independence.

In April 2002 COAG agreed to trial working together with indigenous communities in up to ten regions to provide more flexible programs and services based on priorities agreed with communities.

COAG's expectation is that the lessons learned from this initiative will be able to be applied more broadly. All agreed that outcomes need to be improved and the way to do that is twofold:

1. Governments must work together better at all levels and across all departments and agencies; and
2. Indigenous communities and governments must work in partnership and share responsibility for achieving outcomes and for building the capacity of people in communities to manage their own affairs.

Key objectives for the COAG trials are to:

- Tailor government action to identified community needs and aspirations;
- Coordinate government, business and NGO programs and services where this will improve service delivery outcomes
- Encourage innovative approaches traversing new territory
- Cut through blockages and red tape to resolve issue quickly
- Work with indigenous communities to build the capacity of people in those communities to negotiate as genuine partners with government
- Negotiate agreed outcomes, benchmarks for measuring progress and management of responsibilities for achieving those outcomes with the relevant people in indigenous communities
- Build the capacity of government employees to be able to meet the challenges of working in this new way with indigenous communities.

Day-to-day accountability for progress in each trial site has been given to an individual Australian Government Departmental Secretary (or sponsor) whose agency will act as lead agency within trial sites.

The Secretaries are members of a Secretaries' Group on Indigenous Issues and they meet once a month to oversee progress in all sites. It is supported by an Indigenous Communities Coordination

Taskforce which coordinates across Australian Government Agencies and fosters cross-portfolio partnerships to develop and deliver initiatives in the COAG indigenous trial communities.

Interesting policy frameworks in each trial site being developed centre on families. In Wadeye – women and families (DFaCSIA and NT Department of Chief Minister); In Shepparton – strengthening families (DEWR and Vic Premier's Department); and In Murdi Paaki – helping families to raise healthy children (DEST and NSW DET).

It is too early to tell whether the COAG Indigenous Trials will prove successful.

COAG Human Capital Development

This conference is timely because the non-indigenous social issues which have seemingly been intractable for several decades have, at long last, also been acknowledged by COAG at its February meeting (Commonwealth of Australia 2006). COAG agreed to play a leadership role in facilitating policy integration and the adoption of a longer-term policy perspective across governments and portfolios under the rubric of Human Capital Development across the life course. It may have taken a looming skills shortage, which is likely to disrupt our economic prosperity as a nation, to focus governments' attention on what we consider to be the macro priorities but at least they are in the national spotlight.

It is perhaps pertinent at this point to reflect of the writings of the Canadian, J Douglas Willms. He says: "To achieve a shared responsibility for social-policy renewal, federal and provincial administrators and politicians must confront a number of issues about the constitutional jurisdiction over education and health, which is jealously guarded by the provinces. A salient issue that has impeded progress in the past is that many policy-makers consider child development during the early years to be an educational and health issue, and therefore federal involvement in this area has been challenged in the provinces. This situation has arisen in a context of strained relations between the federal and provincial governments, following several years of cutbacks in transfer payments to the provinces for education and health. Relationships among the provinces have also been strained because of disagreements over the extent to which federal social policy should reallocate funds from the so-called have to have-not provinces" ... "Another problem resulting from provincial jurisdiction over education and health is that there is considerable duplication of effort across provinces." And he just goes on telling a tale which is all too familiar in Australia including this statement "we do not have a good sense of the common or community-specific elements that make them successful, even though these programs are known to be successful within their communities. We are also not very good at bringing successful programs to scale or ensuring that successful programs can be sustained. So it is necessary to facilitate action across communities. We have the way, so to speak, but do we have the will? (Willms 2002).

Closer to home, Ross Gittins, The Economics Editor of the Sydney Morning Herald, in a recent article concluded: "It's clear from all this that many of the millions taxpayers spend on helping adults with problems – not to mention trying to control crime – would be better spent ensuring all children got a good start in life. Perhaps when you and I understand that better, our politicians will do more than make token gestures in that direction" (Gittins 2006). Call me an optimist if you like but I think that the planets are aligned and after many years we might just have the best chance ever to use the science of human development from the womb to age eight to give our babies and toddlers the best start in life. The Gittins' article was entitled 'Cast the die early and reap the rewards' and he was commenting on the evidence put forward by the Nobel Laureate, James Heckman, Professor of Economics at the University of Chicago who says we have long known that families and not schools are the major source of inequality in the performance of students. As an economist, Heckman was interested in the fact that The Perry Preschool Program had a ratio of benefits to costs of eight to one. As an investment, it achieved a 15 to 17 per cent annual rate of return. Hence "Heckman's conclusion that early intervention in the lives of disadvantaged children promotes schooling, raises the productivity of the workforce and reduces crime, teenage pregnancy and welfare dependency" (Gittins 2006). Heckman was on a visit to Australia just prior to that visit of Professor Jack Shonkoff, editor of the text *From Neurons to Neighbourhoods* and Chair of the Committee on Integrating the Science of Early Childhood Development of the National Academy of Sciences. The Committee is multidisciplinary and includes, for example, James Heckman. It has brought together the science from neurobiology, development psychology, behavioural and social sciences as well as economics. These experts tell us we know what we must do from the scientific evidence; it is the how which is so bedevilling.

But returning to the recent COAG meeting, our political leaders are reported to have agreed that "*to achieve the level and breadth of progress our nation needs, all governments would commit to reform across health, education and training and encouraging and supporting work*". The Communique of the February meeting noted that "*in some cases there was agreement on what should be done in general terms whereas in others, a number of diverse and innovative approaches need to be tried*".

Critical to the success of this initiative is "*improving early childhood development outcomes through a collaborative national approach*". COAG went on to note "*the importance of all children having a good start to life. Opportunities to improve children's life chances, especially for children born into disadvantaged families, exist well before children begin school, and even before birth*".

COAG also noted that high quality and integrated early childhood education and care services (including health services for young children and their families), from before birth up to and including the transition to the first years of school, are critical to increasing the proportion of children entering school with the basic skills for life and learning.

It is not clear whether COAG will use the same model as the cooperative approach on policy and service delivery to address indigenous disadvantage.

Business has welcomed the COAG decision with, for example, The Business Council of Australia (BCA), acknowledging that it “represented an important step towards securing Australia’s future prosperity”.... “Importantly this national blueprint for reform will involve action plans detailing agreed outcomes, milestones and commitments.” BCA noted that “*Australia’s leaders should be congratulated for putting their differences aside and committing to much-needed reforms*”.

Business has a role to play but this may not have been the case without the focus on corporate social responsibility over the last several years even though the implementation of CSR leaves a lot to be desired. Some of the issues which we are grappling with have been articulated in the Spring 2006 edition of the *Stanford Social Innovation Review* which has just arrived. It has an interesting article by Mark Kramer and John Kania on this point entitled ‘Changing the Game. Leading corporates switch from defense to offense in solving global problems’. In it they reiterate that ‘*The world’s problems do not neatly apportion themselves between the private, non profit and public sectors. Many of our most pressing challenges – economic development, job training, housing, medical research and the logistics of disaster or famine relief – are rooted in circumstances where businesses have deep expertise that nonprofits and government lack. Yet those capabilities are lost when businesses choose to act only through cash contributions.*’

‘The shift in thinking that is required to achieve these benefits is profound but simple: Businesses and non profits must reject their old stereotypical roles. Business must abandon its defensive and cosmetic approach to social issues. After all, it is hard to win a game when the team is playing only defense. Companies must also be willing to exploit their full capabilities to find and implement solutions to social problems, even if the company has nothing to do with creating the problem. And nonprofits must be willing to share their halo by accepting business as an ally rather than as an opponent, and by welcoming its enormous capacity to solve social problems.’

‘On those social issues where companies have reason to be involved, whether they are motivated by reputation or profit, substantially greater progress can be made if nonprofits can find effective ways of engaging them in cross-sector partnerships. By embracing a new and positive perspective on business’ involvement, nonprofits can tap into a wealth of resources that have long been beyond their reach.’ (Kramer & Kania 2006).

CONCLUSIONS

In this presentation I have touched on the changes which have been set in place over recent years in the world of governments, business and non profits. These have come about for a variety of reasons but I like to think that there has been an awakening that the seemingly intractable social

issues need a more contemporary solution rather than using all our energies on maintaining the status quo. We need to pursue the change agenda commenced by many at the turn of the century.

We have a number of models from both here and overseas which can be examined as a way forward. Our best opportunity is taking the scientific evidence we have available on the importance of the early years and putting it into practice with the relevant frameworks and policies. A child centric model is not new but its implementation is.

From my perspective Communities for Children offers a good start and a good model. It allows all the stakeholders the opportunity to play a distinctive but integrated role. For large non profits their specific attributes can be put to good use – back room capabilities (banker, contract negotiations, legal issues, promotion, IT etc), project management skills, financial stewardship; brokerage capabilities ensuring local non profits deliver the programs consistent with the community's wishes in a supportive environment, and, an ability to leverage the Australian Government's investment in particular disadvantaged but asset-enriched communities through collaborations with state and local government initiatives, inviting business to be equal partners to ensure sustainability. The potential of this model will not be realised until the larger non profits use this as an opportunity to put their own houses in order and effect cultural change. We need to play to our specific capabilities in a collaborative model which invites and welcomes contributions from small agencies and overcomes the territorialism of yesteryear.

The framework needs integrity and strength. Whether COAG can deliver this is unclear at this point in time but governments need to understand where their competencies lie and forego the command and control response which has characterised many attempts at delivering a whole of community approach.

Business should be invited in at the problem solving stage not just the solution end.

Whether we can use Communities for Children as the building block or not, we have our best chance for starting at the beginning – from the cradle, or indeed before birth - and applying our current knowledge in a more strategic and productive manner.

It is a 20-year agenda that needs nurturing, collaborative partnerships and focus. We can't compromise on the integrity of the model because it isn't about any of us – it is about recognising the changes which have occurred in our external environment over the past three or so decades and putting in place supports that build stronger families and communities because James Heckman has made it quite clear – inequalities arise from the level of the family.

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