Too valuable to lose
Assessing the value of small community service organisations

Zuleika Arashiro & Amanda Pagan

2018
The Brotherhood of St Laurence is a non-government, community-based organisation concerned with social justice. Based in Melbourne, but with programs and services throughout Australia, the Brotherhood is working for a better deal for disadvantaged people. It undertakes research, service development and delivery, and advocacy, with the objective of addressing unmet needs and translating learning into new policies, programs and practices for implementation by government and others. For more information visit <www.bsl.org.au>.

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Assessing the value of small community service organisations

Summary
Over the last two decades, market-oriented reforms in human services have changed the landscape for Australia’s community sector. Commissioning has increasingly been directed towards enhancing competition, administrative efficiency and results-based performance, and service providers are expected to demonstrate their value in terms of ‘value for money’. Many struggle to balance these new priorities with their socially-driven mission and purpose.

The current scenario is particularly challenging for smaller community organisations. While a provider’s size cannot be assumed to be the determinant cause of positive outcomes for service users, many practitioners and funders recognise that smaller, locally embedded organisations play a vital role in the community sector. Their advantages typically include a better knowledge of the local context and networks, nimbleness (ability to respond quickly) and more flexibility to tailor services in cases involving complex needs. However, in a competitive funding environment, there is a high risk that their full social contribution is lost.

This research is the first Australian qualitative study to explore ‘value add’ by smaller community service organisations, in the context of ongoing changes in the sector. Case studies were conducted with four non-profit providers of support to young people in their transition to work: YouthWorX NT (Darwin, Northern Territory), Joblink Midwest (Geraldton, Western Australia), Gen-Z Employment (Gold Coast, Queensland), and Schools Industry Partnership (Sydney, New South Wales). We drew on the inputs from young people using the services, and from staff, and investigated whether there was convergence between these two groups in what they perceived to be the value of the services.

How was value framed?
While the value in government-funded services has been predominantly measured in economic terms, this research aims to capture less tangible variables that constitute value, and it approaches the total value in human services as a combination of three domains:

**Individual value:** This can be defined as the advantage a person may gain from using or receiving a service. The literature in human services often identifies this value as the result of relational or reciprocal actions between service providers and service users.

**Social value:** This refers to the impact beyond the service user to include the impact on groups, communities and the environment in which the organisation is situated. It includes aspects such as local embeddedness, contribution to social capital, work with complex needs, and complementary services.

**Public value:** Organisations commissioned by governments can directly influence public value creation. While the content of public value is not easy to define, the literature suggests that in addition to outcomes achievement, trust, legitimacy, the quality of service delivery, and efficiency, all impact on public value creation.
Findings

This research found evidence that the studied organisations have created value in all three domains. Despite being located in very different regions of the country, the areas of convergence for individual value were strikingly similar, as well as the characteristics that contributed to social and public value.

**Individual value.** For both young people using the services and the staff, the quality of their relationship throughout the service provision was the strongest indicator of value. Young users highlighted personalisation, genuine care, a safe and comfortable environment, and trust as central to the value they assigned to the services. Mutual trust and genuine care were particularly clear in cases where participants disengaged from the services and were later accepted back, or when staff persisted and helped participants to navigate tough periods without quitting.

**Social value.** In all case studies, local knowledge and understanding often derived from their long history in their locality and local embeddedness. Staff referred to many aspects of community dynamics and how to operate within these parameters to get things done. With regard to social capital, contribution was exemplified by the role many played in local interagency panels and long-established collaborations with businesses and other agencies, which also favoured a more integrated approach to services in cases of complex needs.

**Public value.** Many of the young people who engaged in focus groups had achieved ‘hard’ outcomes, such as employment or training. Trust and legitimacy, also recognised as attributes of public value, were noted by young people in their relationship with the organisations, and equally expressed through long established local networks. For these organisations, a person-centred approach was simply part of their regular practices, which impacted on the quality of services. Finally, drivers of efficiency included the capacity to deliver more than the targets, collaboration with other agencies, attraction of skilled volunteers, and avoidance of duplication of services in their community.

These findings cannot be generalised, but they align well with international research and with practitioners and funders’ views of the distinctive contribution of smaller community service organisations. For commissioning bodies, this is a great challenge. The requirement to be administratively efficient places pressure on them to commission services to fewer and larger organisations. Over time this will result in small organisations having a reduced role, if any, in the human services system. As such organisations disappear, so do their histories and community connections, and the value they add.
SECTION 1
Background
1 Introduction

Over the last two decades market-oriented reforms in human services have changed the landscape for Australia’s community sector (Considine, O’Sullivan & Nguyen 2014; Goodwin & Phillips 2015). Commissioning has been increasingly directed towards enhancing competition, administrative efficiency and results-based performance (Dickinson 2015), and service providers are expected to demonstrate their value in terms of ‘value for money’. Financial sustainability, risk aversion and attempts to gain scale are now common language in community service organisations, and many strive to balance these new priorities with their social mission and purpose. The long-term consequences of this movement for the community sector are still unfolding. Still, as various submissions to the Productivity Commission (2017) inquiry on reforms to human services indicated, market mechanisms alone will not necessarily lead to better outcomes or a diverse pool of high quality services from which citizens can choose.

The community sector has historically differentiated itself from government and for-profit organisations by its strong social mission. In democracies, community organisations have also played a distinctive role by representing diversity within civil society, assisting with the welfare of citizens and contributing to holding governments accountable to citizens (Eikenberry & Kluver 2004; Goodwin & Phillips 2015).

Until recently Australians also recognised a distinctive social value in community organisations. In the last wave of the World Values Survey in Australia, based on 2012 data, 69.1% of Australians indicated they had either ‘quite a lot’ or ‘a great deal’ of confidence in charitable or humanitarian organisations, a highly positive result especially when compared with the results in the same survey for the civil service (43.7%) and political parties (13.1%).1 However, social support is also changing: the 2017 Australian Charities and Not-for-Profits Commission survey showed public trust and confidence in Australian charities have been in decline since 2013 (Rutley & Stephens 2017, p. 41).

As community organisations attempt to reconcile a business mindset with their social mission (Maddison & Carson 2017) there is a risk that their ability to differentiate themselves in the public eye will be gradually eroded.

The impact of market reforms on smaller organisations

The current scenario has been particularly challenging for smaller organisations. In the Australian Council of Social Service (2013) survey, respondents ranked ‘challenges for smaller organisations to remain viable/compete’ as the third most significant issue facing the sector, behind only underfunding of services by government, and funding uncertainty. Judging by similar experiences with marketisation of social services in other

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countries, there is good reason for concern. Research conducted in the United Kingdom and New Zealand shows that smaller organisations have also struggled to survive in an environment of growing competition for funding (Hunter, Cox & Round 2016; Lloyds Bank Foundation 2015; Neilson, Sedgwick & Grey 2015).

While size alone does not determine outcomes for service users, practitioners and funders recognise that smaller, locally embedded organisations play a vital role in the delivery of social services and in the generation of interconnected benefits that go beyond the individual. Previous research has found that small organisations play a critical role in sustaining a healthy ecosystem of service providers. Specifically they are recognised as builders and nurturers of social networks, having the ability to reach ‘the hardest to reach’; and providing greater flexibility and responsiveness to service users (Hunter & Cox, 2016). In a recent study, Dayson, Baker and Rees (2018) examined the value of smaller charities in the United Kingdom from three angles: service offer, approaches and position within local communities. Their findings reaffirmed the evidence that small organisations demonstrate local embeddedness, nimbleness, local network facilitation and local legitimacy (often referred to as a social licence to operate). All of these traits are seen to directly impact on the effectiveness of service responses.

Despite the evidence base on the value of small organisations, there is a risk that the outcome of a competitive funding environment is a reduction in diversity of providers. As Peter Shergold observed, while leading a major government-commissioned overview of service sector reform in Victoria in 2013:

> Organisational size is not necessarily a determinant of capability in the community sector. While many large CSOs enjoy advantages of scale and operate as well-administered commercially oriented businesses, some smaller organisations can be more agile and flexible. A dramatic reduction in the number of contracted service providers might reduce administrative costs for government in the short term but it would lessen diversity and choice for service users and weaken the incentive to improve service quality (Shergold 2013, p. 27).

Paradoxically, government reforms that are in theory oriented to increasing effectiveness might threaten the survival of those organisations that have been long recognised for their ability to serve the most disadvantaged groups in society.
2 This research

This research offers the first Australian qualitative study of the value created by smaller non-profit human service providers, within the context of ongoing reforms in the service sector. It employs a case study method.

There is no nationally agreed criterion for classification of non-profit organisations based on size. In the case of charities, the Australian Charities and Not-for-Profits Commission classifies as small, organisations with annual revenue under $250,000 (Cortis et al. 2016). However, the ACNC threshold is not appropriate for human service providers managing government contracts. Even smaller organisations need a minimum level of fixed resources, staff and infrastructure in order to compete for a contract and deliver services. Therefore, we followed the definition of the Australian Small Business and Family Enterprise Ombudsman (2016, p. 7), and invited a select group of organisations already known to us, with annual incomes below $2 million, or fewer than 20 employees, to take part in the study.

The four participant organisations are providers of Transition to Work, a Commonwealth-funded service initiated in 2016 to support young people (15 to 21 years old) who have disengaged from work or study, to move into education and/or employment. They are located in Darwin (Northern Territory), Geraldton (Western Australia), Gold Coast (Queensland) and western Sydney (New South Wales). All are members of the Transition to Work Community of Practice (TtW CoP), which brings together 12 non-profit service providers of varied scale and capacity from 13 regions of Australia, and is coordinated by the Brotherhood of St Laurence.

The Transition to Work Community of Practice

The Transition to Work Community of Practice was established in early 2016, at the time when the Transition to Work program, funded by the Australian Government, commenced. Its current 12 members committed to a collaborative approach to addressing youth unemployment, which includes sharing resources and expertise, participating in research and evaluation, and leveraging local business and community expertise. They are also trying a service delivery model based on young people’s agency and capabilities enhancement (Brown, James, Mallett, McTiernan, Orchard & Cull 2017).

Under the Transition to Work deed, providers have up to 12 months to work with each participant towards a successful employment outcome, an educational outcome or a combination. The Transition to Work Service Guarantee, which sets out the government expectations of providers and young participants, requires organisations to tailor services in a fair, respectful and culturally sensitive manner. The outcomes, however, are predominantly quantitative and consist of employment for at least 12 weeks, completion of a Certificate III or a higher qualification, or completion of Year 12. Organisations receive bonus payments for exceeding their outcomes target or for achieving sustainable outcomes (e.g. employment for more than 26 weeks).
Research design

The case studies for this research were guided by the following questions:

- What do staff (management and frontline) identify as the key value of their work for young people?
- What do young people using the services value in their experience with the provider?
- Is there any convergence between the value that staff identify, and what young participants say?

Data collection

Due to the lack of research addressing similar concerns in Australia, and to enhance the opportunities for triangulation of data, we followed Arksey and O’Malley's (2005) recommendation for iterative research and started with a pre-fieldwork consultation with sector stakeholders. The consultation was critical to probe whether the value-creating attributes cited in international studies (Hunter, Cox & Round 2016; Dayson, Baker & Rees 2018) resonated with different stakeholders in Australia and to gain a deeper understanding of their views on the value of smaller organisations. The consultation involved:

- a brief online survey with the twelve TtW CoP providers²
- eight structured interviews with stakeholders in the community sector (two philanthropic organisations, three corporate funders and three sector peak bodies).

Once the consultation was completed, we moved into fieldwork. Each organisation was visited twice between January and May 2018, except for YouthWorX NT in Darwin, which received one longer visit. The site visits were critical for a brief yet fundamental observation of place and real life environment. Being immersed in the routine of the organisations made it possible to observe and to develop informal interactions with staff and the young participants, and stimulated research reflections that resembled ethnographic notes. Visits also aided understanding of other local services, accessibility challenges and the types of job opportunities.

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² The survey was distributed in October 2017 through Survey Monkey to managers and frontline staff of the organisations, and 46 responses were received. Survey participants were asked to select three characteristics that they believed highlighted the specific value of small community service organisations. The options were: (i) are more flexible, better able to adjust to clients' needs; (ii) hold the trust of the community in which they are located; (iii) put relationships with clients first; (iv) can provide services in a more integrated (holistic) way; (v) have more access to local networks of support; (vi) can quickly mobilise internal and community resources to get things done; (vii) have a deeper understanding of the community in which they work; (viii) are less bureaucratic; (ix) other (please specify).
Other data sources for the case studies included individual, semi-structured interviews with managers; process mapping workshops with frontline staff; and focus groups with young participants (service users).

As mentioned above, the four participant organisations share a service delivery model structured around the following four phases:

1. Initial identification of each participant’s aspirations and co-design of a plan
2. Development of work readiness skills
3. Engagement in workplace opportunities
4. Post-placement support.

In each organisation, face-to-face interviews were conducted collectively with the executive officer and managers. They covered the organisation’s history, the value they identified in their services, the local context and connections, and organisational level questions around internal structure, vision and ways of working on the ground.

Process mapping was used to gain insights into the varieties of work and practices that staff perform within the broad framework for service delivery. It consisted of a workshop (60–90 minutes) in which all frontline staff worked together. They were asked to imagine a new young person joining the service, and to describe what they would normally do. The four phases for service delivery were used to create a space for comment on actual actions they take, common barriers young people face, and what they identified as the main value of their work, both for young people and for themselves.

The recruitment of young participants was conducted by each organisation, which meant a risk of selection bias. Since the study was not an evaluation of the services, but an opportunity to gather inputs on what users valued in their experience, this did not represent a major constraint. All participants received an information sheet and consent form with the researcher’s details, and the information was repeated at the beginning of the focus group sessions. No staff from the organisations were allowed in these sessions. Young participants were invited to speak freely about their experiences with support services in general, and with the studied organisation in particular, and to give suggestions for service improvement.

A total of 56 people were involved in the fieldwork (see Table 1). In two sites, we were able to interview managers from other local service providers.
Table 1 Research participants by organisation

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Managers</th>
<th>Frontline staff</th>
<th>Young participants (age range)</th>
<th>External (local) organisations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold Coast, Queensland</td>
<td>2</td>
<td>6</td>
<td>7 (17–22 years old, 5 male, 2 female)</td>
<td>1</td>
</tr>
<tr>
<td>Darwin, Northern Territory</td>
<td>2</td>
<td>6</td>
<td>8 (16–20 years old, 5 male, 3 female)</td>
<td>0</td>
</tr>
<tr>
<td>Geraldton, Western Australia</td>
<td>2</td>
<td>6</td>
<td>4 (18–20 years old, all male)</td>
<td>0</td>
</tr>
<tr>
<td>Western Sydney, New South Wales</td>
<td>3</td>
<td>4</td>
<td>4 (18–22 years old, 1 male, 3 female)</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9</strong></td>
<td><strong>22</strong></td>
<td><strong>23</strong></td>
<td><strong>2</strong></td>
</tr>
</tbody>
</table>

Limitations
The intent of this research was to explore the value created by smaller non-profit human service providers using a case study method. Although we selected only four case studies, these provide an opportunity to ascertain the degree to which the findings in international literature have application in the Australian context. Given the lack of specific studies on the value of smaller non-profit providers in human services in Australia, the insights gained through this study provide a starting point for further research which could include organisations of various sizes and different sectors.

The organisations that were selected for the research were already committed to a community of practice that explicitly focuses on fostering learning and collaboration between like providers across the country. These providers are committed to a practice approach that also leverages cross-sectoral collaboration in their communities to enable the agency and capabilities of young people. As such, we would expect that these traits will be evident in the research findings.

Ethics
The proposal for this research was submitted and approved by the Brotherhood of St Laurence Human Research Ethics Committee in December 2017.
3 Value framing

Since the late 1980s, public sector reforms have increasingly focused on deregulation and expansion of the market economy into human services. Consistent with this, the potential value created in government-funded services is now measured in economic terms. In the Commonwealth Procurement Rules, for instance, achieving value for money is the core rule. In order to ensure the best outcome, public servants are instructed to assess various aspects related to tenders, such as competitiveness, economic efficiency and quality of goods and services. This one-sided definition of value is problematic in view of the growing focus on user-directed care and on person-centred approaches to human services (Productivity Commission 2017). The economic approach does not render user perceptions of value visible. Nonetheless, it is fair to say that this reading of value through the economic lens has not only occurred within government but has been widespread in the community sector.

To address this limited understanding of value, this research develops a value framework that aims to capture those less ‘tangible’ variables that constitute value in the community sector, but are often missed in other models.

In this study value is defined as a phenomenon that requires attention to how different subjects are positioned and relate to each other. Different perceptions of value are therefore expected, and it is assumed that if a shared value exists, it will become apparent by comparing perceptions of various parties. We also propose that the total value of human services should take into account three value domains: individual value, social value and public value.

Individual value

Individual value is comparable to the notion of ‘utility’ in economics and can defined as the advantage a person may gain from using or receiving a service. IVAR (2018) has suggested that this value can take a number of forms. It can mean meeting people’s unmet or basic immediate needs; supporting people to achieve personal outcomes; and achieving hard outcomes, such as employment and training in the case of TtW. The literature in human services often identifies these values as the result of relational or reciprocal actions between service provider and service user. Nevile’s (2009) study of value match between non-profit providers and social services users in Australia identified features such as flexibility, staff responsiveness to each individual’s interests, and relationship building, as valued by both users and staff. Moreover, from the users’ point of view, ‘emotional outcomes’, such as feeling safe in a place and feeling relaxed, were all significant in how they assessed the value of a program.

Research on the experience of young people with vocational training and employment programs also points to relationships as critical for better outcomes (Bodsworth 2015; Dommers et al. 2017; Myconos 2016). An evaluation of the Youth Connections program in the Mornington Peninsula region in Victoria concluded that ‘by far the most prominent message from young people was that the individualised and personal support they received through the relationship with their case manager was a vital factor in their successful engagement with the program’ (Barrett 2012, p. vi).

While there is consistent feedback on the attributes young people recognise as important for achieving the outcomes that matter for them, these attributes are often intangible, and tend to be disregarded in outcomes measurement which privileges quantifiable deliverables only (Mc Neil, Reeder & Rich 2012).

Social value

Arvidson and Kara (2013, p. 8) define social value as ‘an impact that stretches beyond outcomes related strictly to individuals engaged in an intervention: social value implies benefits for groups, communities and the environment’. In human services, where positive changes for individuals often extend to their families and local communities, the potential social value also needs to be considered. Studies on the value of smaller charities in the United Kingdom (Dayson, Baker & Rees 2018; Hunter, Cox & Round 2016) identified some attributes that can be used to examine social value, including:

• local knowledge and understanding, deriving from local embeddedness, experience, respect and trust by local communities
• contribution to social capital, enabling stronger and wider community relationships
• work with complex needs, engaging those hard to reach in society and providing more integrated support
• quality of service delivery, such as more personalised care, innovation and potential ‘economies of scope’ through complementary services provided with the main service.

Public value

All the studied organisations have been commissioned by the Commonwealth Government. While the potential contributions of community organisations to individual and social value are well recognised, their link with public value is less clear. Studies traditionally focused on the public sector as the public value creator (Faulkner & Kaufman 2018; Moore 1995, 2013). However, as governments move away from direct service delivery and non-government actors increase their presence in the delivery of publicly funded services, new ways of thinking about public value creation emerged (Benington 2011; Bryson, Crosby & Bloomberg 2014; Bryson et al. 2017). Indeed community organisations that are contracted by government to provide human services
often become the ‘face’ of public services for citizens, and this can directly influence the creation (or erosion) of public value.

As with the notion of social value, defining content in public value is not easy. Faulkner and Kaufman (2018) identified four areas that are associated with public value creation in various countries:

- outcome achievement, or the extent to which a public body is improving publicly valued outcomes (economic, social, environmental and cultural)
- trust and legitimacy, or the extent to which an organisation and its activities are trusted and perceived to be legitimate by the public and by key stakeholders
- quality of service delivery, which is related to whether citizens experience the service as being delivered with responsiveness, accessibility, convenience and citizen engagement
- efficiency, or whether maximum benefits are achieved with minimal resources.

**Inputs from the stakeholder pre-consultation**

As mentioned in Chapter 2, a pre-consultation was conducted to check whether some of the common findings highlighted in international studies resonated with Australian stakeholders. In October 2017, managers and frontline staff of the twelve TtW CoP members were surveyed, and asked to select the top three characteristics they believed highlighted the specific value of small community service organisations. Out of 46 responses, the most frequently selected characteristics were: (1) flexibility and adjustment to clients’ needs (27 responses) (2) local knowledge and embeddedness (24 responses), and (3) focus on relationship with clients (19 responses).

We also interviewed representatives from philanthropy, the corporate sector and community sector peak bodies. While most interviewees avoided generalisations based on the size of organisations, they emphasised that qualities such as ‘nimbleness’, local knowledge and understanding, and personalised services often constitute the distinctive value of smaller organisations. Some of these qualities were similar to the ones identified in the survey of TtW CoP members, and also matched attributes mapped in research conducted in the United Kingdom (Dayson, Baker & Rees 2018; Hunter, Cox & Round 2016) related to the social value of smaller charities. Two interviewees also commented on the important preventative work that these organisations can do, but that remains invisible in current measurements of social value. On the importance of diversity within the sector, a representative of Philanthropy Australia commented:

> It’s a bit like in the human body. You’ve got arteries, which are the big organisations. You’ve got veins, which are the medium ones, and you’ve got capillaries which are the small ones. You need all of them in a system to work well, and they all have a different job to do ... But if you chop off the capillaries in the body, your body will die.
SECTION 2
Case studies
4 YouthWorX NT: A little extra makes the difference

YouthWorX NT is the operational arm of the Northern Territory Industry Training Bureau. Its origins date back to the late 1990s, when a group of training boards and councils in the Northern Territory set up an organisation to provide industry support to Territorians into apprenticeship and work placement opportunities. YouthWorX NT was established in 2003 with the purpose of working in partnerships with industry, government, the education sector and community organisations, to support career development opportunities for young people. With offices in Darwin and Katherine, it has a team of twelve staff members (seven full-time and five part-time).

While Commonwealth funding for Transition to Work services currently represents its main source of revenue, YouthWorX NT has a long local history of providing vocational guidance, skills building and linkages with industry. It organises an annual skills, employment and career expo, and runs pre-employment training courses and workshops, in collaboration with universities and other local partners.

In the Northern Territory, the median age is 23 years, compared with 38 years for Australia; and 25.5 per cent of the population identify as Aboriginal and/or Torres Strait Islander (ABS 2017), many of whom reside in remote or very remote areas. The youth unemployment rate in Darwin was 7.4 per cent in January 2018 (Brotherhood of St Laurence 2018).

YouthWorX NT recognises local diversity and the importance of cultural competency, but it explicitly states that its mission is to serve ‘all young Territorians’, regardless of ethnic or cultural backgrounds. Talking about the importance of knowing the local context and adapting to it, one manager observed that in Darwin her sense of being connected to community was somewhat stronger than what she experienced in other regions, and that required a new attitude:

I think we do have to allow personally a little bit more of ourselves to come out because that’s where you see that genuine want to support young people or to support clients in the area, because you see it as a community and you can see the gaps, and other people see it too.

Being ‘absolutely genuine’ in everything they do and keeping actions aligned with words were cited as essential to ‘survive’ in the Territory and to hold legitimacy in the eyes of other local organisations, businesses and young people. The value placed on local relationships was reflected in the organisation’s commitment to avoid duplicating good work that other local organisations already offer.
What did the staff say?

At YouthWorX NT, like the other members of the Transition to Work Community of Practice, a ‘youth development coach’ is assigned to each participant. Staff cited the initial stage, when they meet with the young participant and co-design a plan, as critical for developing rapport, identifying barriers and linking participants with other service providers. Common barriers staff identified included low language, literacy and numeracy skills; transport restrictions; mental health; drug and alcohol usage; disability; experiences of violence; and homelessness. While these barriers were also found in the other three case studies, other challenges were particular to the Northern Territory context, and included young people’s transit between Darwin and remote areas, stigma and different cultural norms.

Staff highlighted the capacity to address multiple factors impacting the life of young participants as fundamental in ensuring the quality of their services, and valued the fact that the organisation’s structure enabled them to do so. One staff commented specifically on the value of having senior leaders who allowed and motivated staff to identify challenges and propose solutions.

When asked to single out what they considered to be the distinctive value of their work to the young participants, staff responses included recognition of both small and big achievements (‘from showing up to an appointment to completing a certificate’), showing that they actually listen to the young person, offering a non-judgemental environment and being positive role models. Staff also mentioned that asking participants to commit, and holding them accountable to their word, was important, especially when staff may be the first adult in the young person’s life to show that they believe in them.

When they talked about what they personally value in their work, motivating people, building close relationships, being trusted by participants and being able to ‘give back’ to community were all cited. One worker illustrated the satisfaction of ‘being part of a change’:

_Enrolling an Indigenous young boy in Certificate III ... [He] dropped out of school at a very young age ... We had a bit of love–hate relationship at the beginning ... the day that I phoned him to say he’d completed—and I had taken a photo of his certificate—he rang me and he was crying on the phone. He was saying, ‘You believed me, you supported me’._

What did young participants say?

Eight young people participated in the focus group. Four were at the early stages of their engagement, and one was already employed and no longer using the service. They could clearly differentiate whether a provider genuinely cared about them or simply saw them ‘as a number’. When asked about prior experiences with employment service providers or Centrelink, young participants expressed a sense of frustration with the way they were often treated:
It’s just pretty much talking to a brick wall and they’re just like ‘Go’.

It’s just one of those places that go, ‘Here, here’s a sheet, fill it out’.

With regard to what they value in service providers overall, young participants’ inputs included trust, ‘hands on’, open and welcoming (‘a smile’), ‘love’ for helping, and honest communication even if it involved telling participants they were doing something wrong. When asked what they valued in their interaction with YouthWorX NT in particular, their comments focused on characteristics such as persistence, warmth and welcome:

They push us to succeed ... And if they really want you somewhere they will bug you, they will call you.

They actually like being here themselves. They have a warm feeling like, ‘Hey, guys, this is what we do. Welcome to the crew’. Not like, ‘Hi, next please. Next please’.

[Other providers] don’t help me as much as these people. I enjoy coming here. I don’t really enjoy going to the other ones.

Two young participants had quit but decided to return, and were given a second chance. One of them talked about feeling motivated and completing certificates required to work in the construction industry:

I enjoyed every single aspect of the courses. The lecturers were amazing, they were understandable. Before being with YouthWorX, I wasn’t really doing that good. I just wasn’t really focusing and motivated to work and stuff, but they got me motivated and made think hard about what I wanted to do.

What was valued?

Inputs from staff and young participants indicate there were areas of convergence regarding the value that YouthWorX provided. Young participants valued most the relationships they developed with the staff. Employment was the formal goal that led them to the organisation, but the pathways towards it were not built on impersonal procedures and forms. Individual value, as acknowledged by participants, was revealed through attributes such as feeling safe and relaxed in the organisation (‘enjoying’ going there), genuine relationship with staff, and trusting they were receiving personalised support to succeed. Staff also singled out relational outcomes as a key value for the participants, as well as a reason for their own sense of fulfilment in their work. With regard to social value, YouthWorX NT serves clients with complex needs, and its local knowledge and understanding of the community dynamic, were fundamental for sustaining local acceptance as a legitimate organisation. At the same time, trust and legitimacy, as well as personalised care, contributed to the public value added by the organisation.
**Field notes**

It is a summer day in the Northern Territory but in the meeting room, young people gather to hear about an innovative young leadership program. If they join in, they will volunteer their time for one year in activities that help build the voice of young people into service provision and policy.

The following day I meet one of them. He mentions gender equality, giving people a chance, ‘fundamental stuff’, as important in youth services. When asked about an example of a good experience, his first comment is ‘That thing that happened yesterday, that was really positive’.
5 Joblink Midwest: Tailored tickets to ride

Joblink Midwest was founded in 1988 in Geraldton, a small city of 37,430 people (Census 2016), located about 400 kilometres north of Perth in Western Australia. It commenced as Midwest Gascoyne Youth Action Scheme, providing youth employment assistance services funded by the WA Department of Training and Education, and expanded to broader employment services and career development. With eight full-time staff, the organisation offers through its Career Centre services for people of all ages. Services range from career planning, assistance with résumé preparation and job applications, to programs tailored for school students, mature age jobseekers and women returning to the workforce. The Career Centre service delivery is funded through the WA Department of Training and Workforce Development and, since 2016, through the Transition to Work contract with the Australian Government. The organisation also generates some income from recruitment services for employers.

The Geraldton office is Joblink’s main base, and it has another office with one staff member in Carnarvon (Gascoyne region). Despite its small size, it serves a vast area: some 700,000 square kilometres of regional Western Australia. The youth unemployment rate in Western Outback (the much larger region that includes Geraldton and surrounds) was 14.4 per cent in January 2018 (Brotherhood of St Laurence 2018).

Efficiency, or the capacity to do more for less, is often argued to be one of the main reasons behind governments’ preference for large organisations. However, it was clear from our interview with managers that Joblink was delivering more than its size would lead us to expect. One example was its Future Moves program for career development in schools. Initially targeting students in Years 10 and 11, the program expanded to primary and middle schools. Joblink developed a package of resources and a free web portal for schools to access the materials. Due to the high demand for its workshops, it created a training program for teachers following a train-the-trainers approach, and shared its model with career centres in other regions. Working with another organisation, it delivered 270 workshops in 2017, even though its Career Centre contractual target was only 40 workshops. The additional workshops were provided for free, and drew on the organisation’s own resources:

> We just do it because the demand is there, and we can, but our organisation props that up a bit. As a charity, we’ve got our charitable funds we’re pushing in … We’ve got a very good model that works really well and the impact has been fantastic. So that’s the sort of thing we can do. We can be innovative and we can develop things that assist the community through these contracts.

An example of a small organisation’s complementary service that can improve young participants’ outcomes is Joblink’s ‘Ticket to Work’ program. It funds small sums for clients who identify a job opportunity but face a barrier that can be easily overcome
with immediate financial assistance. ‘Tickets’ in the past have covered items such as fuel, safety equipment, pushbikes and spectacles.

Unlike the other organisations in this research, Joblink Midwest works with diverse age cohorts. Staff identified as the most common barriers low language, literacy and numeracy skills, and low computer and technological skills, with the latter affecting older users more than young Transition to Work participants.

**What did staff say?**

Like at YouthWorX NT, for Joblink Midwest the initial appointment was important to build rapport, and was described as the time ‘to get a feel of what the client needs’, their ‘likes’ and ‘dislikes’.

Staff mentioned human connection, individualised assistance and support for complex needs as fundamental for the value created for clients. Talking about young participants, one manager said:

> I think it’s the care factor. They’re not just a number. They’re not a stat … the feedback we get from them is that they really appreciate that we actually care, and if they don’t turn up for an appointment, we take the time to ring them and say, ‘Hey, are you ok?’

One staff member who works on building external relationships also stressed the importance of cultivating good personal relationships in order to build a trusting referral network:

> It’s got to be at a personal level, so [other organisations] know you as a person, what you stand for and who you are. When they refer their clients on, they feel comfortable with you, they know you are not treating [their clients] as a number, you’re treating them as a person, so you’re building them up as well as yourself, and their clients.

Flexibility to adapt to individual needs was also cited, and exemplified by hands-on actions by managers and frontline staff alike, such as accompanying individuals to Centrelink, assisting them with appointments, helping them understand selection criteria or ‘giving them a lift’. An organisation structure in which managers granted staff the required autonomy to shape responses quickly was behind many of the practices that made personalised services concrete.

**What did young participants say?**

All the Joblink Midwest focus group participants had used Transition to Work services and were currently employed. Those who had previous experience with larger employment providers, profit and non-profit, complained about lack of support and the attitude of simply following procedures in a mechanistic way. In their experiences with Joblink Midwest, on the other hand, the quality of their relationship with staff (frontline and manager) stood out as the greatest value:
I like [worker’s name], he was there to see you succeed. He really cared about you ... He didn’t just want to get a job so he could get a decent pay every week.

They just don’t give up on you. Even if you’re being hard to [deal with], even if you’re in a bad mood and you don’t want to do anything, they won’t just say ‘Go home, mate, I can’t be bothered’.

I’ve got my first aid certificate, my forklift ticket, a few certificates in warehousing ... I’ve got more of a bond with people here as well. It’s a more social bond rather than how a lot of people are saying they [in other places] don’t care about you. Lots here do, like [names of manager and youth workers]. They all care about you.

Participants also recognised the value of being given a second chance:

If [the manager] believes in you, well [worker’s name] did and all that, so they would give you the same chance ...They allowed [a participant’s name] to come back; and for me, they didn’t just throw me overboard’.

What was valued?

With regard to individual value, participants and staff alike recognised being ‘treated as a person’ not as a number, as the value underpinning good services. From the young participants’ viewpoint, the main characteristic that differentiated the organisation from other local providers of similar services was a staff team that was able to provide genuine care, and build respectful relationships that motivated them to persist. The flexibility to tailor services, which functions as a major motivation for staff, as well as innovations such as the free online resources for schools, and free workshops, added to the social value of its work. Finally, when viewed through the public value lens, all these characteristics seemed to impact on the organisation’s efficiency and ability to offer more for less, as in the case of the workshops, and to foster the local legitimacy that was key to operating in the region.

Field notes

It is lunchtime and we are talking about Subway, mobile plans and the good things of having a job. One focus group participant mentions the name of the worker who supported him, and the conversation opens up. This was someone who ‘really wanted to see us succeed’, who would not get angry but ‘disappointed’. Another participant talks about an argument he had with the manager. He realised he ‘might’ve been in the wrong’, apologised and returned to the organisation. Stereotypes of unruly youth do not match how these young men approach genuine care, and choose to respect the clear boundaries that accompany it.
6 Gen-Z Employment: The impact of authentic connections

Ohana for Youth was established in 1997 on Queensland’s Gold Coast and since then it has worked with young people at risk, both in the development of career pathways and in education. In 2016, after a series of community-led pilots, it opened Arcadia College, an independent secondary school for young people who have disengaged from mainstream schooling. Ohana for Youth also runs a highly regarded youth mentorship program. Led by an experienced coordinator, the program is professionally structured, with an intense induction process and partnerships. In 2017 about 130 mentors, including university students undertaking their social work placement and other volunteers, were involved. Two of the current youth workers began as mentors, and in addition to the community value, the mentorship program adds considerable economic value for an organisation that relies on a small number of employees.

The non-profit arm of Ohana for Youth delivers Transition to Work under the banner of ‘Gen-Z Employment’. The youth development team works from three locations in the Gold Coast, and includes two managers, five youth workers and two post-placement coordinators. Like in many small organisations, at Gen-Z flexibility is key for team members. Managers cover the reception desk if needed, drive participants to group activities and even take them to buy their first formal working clothes. The practice of addressing issues in a non-hierarchical manner permeates the organisation from the top down:

If we think that there’s something that we need to do, we decide as a team, and then as a general manager, I look at what does that look like? And then if we think it’s a good idea, we do it. It’s great to be that nimble, but I think smaller organisations can do that—it’s very difficult when you do have layers. And also, we have a very supportive board.

Team stability, with some staff having more than a decade of experience working together, contributes to an open and friendly environment. Young clients are greeted by their names and lively conversations can be heard all around the office.

Youth unemployment in the Gold Coast was around 9.9 per cent in January 2018 (Brotherhood of St Laurence 2018). In more complex cases, mental health and drug and alcohol are prominent barriers to employment. Both managers of the organisation and a representative of another local community organisation emphasised the importance of being part of a strongly connected community. Regular participation in interagency local panels, such as one on complex needs, remains essential for maintaining trusted networks. This in turn facilitates faster referrals and holistic support, including accommodation and mental health services, and collaboration with government agencies.
What did staff say?

Managers cited the ability to create programs that are tailored for specific contexts and cohorts, connectedness with local networks and clarity about the organisation’s role in the community, as positively impacting the overall value created by the organisation.

During the process mapping, staff formed two small groups based on their work sites. Both groups placed great emphasis on their initial meetings with participants, and described it as essential to ‘develop rapport’, ‘understand stories’ and ‘create a safe, judgement-free environment’ that clearly showed participants that the coach was ‘not a cop’. Authentic connection helped young people to be more open about their aspirations and to disclose challenges they were experiencing. During the co-design of their individual plans, participants were also linked with other support services when needed. Like the staff at YouthWorX NT, at Gen-Z staff also celebrate wins with participants throughout the process, which helps to maintain motivation.

What did young participants say?

Various participants who had previous experience either with Centrelink or another employment provider complained about the service they had received:

*With Centrelink it just feels like they all just look down on you for needing the service and they just kind of want to push you out as soon as possible. Or they just ignore you in general.*

*[Centrelink] kind of disregard the human aspect of the person that they're treating. So it's more like just an object rather than the person.*

*I was doing a course that wasn’t recognised by Centrelink, so I was just looking for more direction and she [worker at an employment service provider] was just giving me all these applications. I didn’t find it very helpful.*

By contrast, when they talked about their experience with Gen-Z, young participants most often valued the service because of how staff related to them:

*They make you feel comfortable, so that’s something I like. Obviously, if they can help get a job, that’s good too—which they have [done].*

*I feel with Gen-Z, what makes people comfortable is the one-on-one interaction ... It gives you that personal relationship with them. It makes it easier for you to share your troubles, to tell them what you want to do, or what you are thinking of, especially in a no-judgement environment.*

*When they were writing out your plan, they ask you what you want to do. They don’t say, ‘This might be good for you’. It’s very much about what you want to do.*

Moreover, opportunities to make social connections with other young people, at Gen-Z’s office, workshops and outdoor activities, were also valued and contributed to
building up confidence. One participant who suffered from anxiety commented on how important it was to have her coach ‘really staying with [her]’, insisting that she attended workshops and not letting her quit. The persistence of Gen-Z staff, in the context of a relationship that participants perceived as genuine, was highly valued.

What was valued?

Young participants identified a comfortable, safe environment, and a sense that staff were ‘really ‘invested in’ them, as distinctive motivating features that added individual value. This coincided with the staff’s emphasis on generating rapport and a judgement-free, safe environment. Perhaps a sign that the organisation was able to realise its mission was the fact that when asked for suggestions to the organisation, one participant recommended better promotion of its services so that more young people could benefit. With regard to social value creation, the organisation has a long history in the area and its local embeddedness is evidenced by its active participation in interagency panels, referral networks and a well-structured volunteer program that attracts university students and enhances social capital. All these characteristics impacted on its contribution to public value, including users’ positive assessment of the quality of the services, and of personal and social outcomes that went beyond getting young people a job.

Field notes

It is the end of a long working day in the Gold Coast and the fieldwork is complete. After listening to the young people talk about how they felt when treated as a number, it is disturbing to register how impersonal certain practices in ‘human services’ can be. Recognition of dignity and mutual respect must be the norm in publicly funded services, not an exception. How do we expect to motivate young people if we cannot model the social behaviour we expect them to display?
7 Schools Industry Partnership: Making wisdom and warmth count

The Schools Industry Partnership (SIP) was established 22 years ago in Penrith, a suburb in outer western Sydney. It started as a local network of high schools formed to build industry linkages for students. With the rise of vocational education and related curriculum expansion in schools, the school network approached the local Chamber of Commerce, which decided to sponsor SIP as an unincorporated program of the chamber. SIP’s current chief executive officer was part of those foundational years and worked to consolidate the ‘school–industry’ partnership. That partnership model was replicated by other chambers of commerce across western Sydney, expanding the linkages between industry and schools.

SIP grew beyond vocational education to include career and employment transitions support for youth. In addition to Penrith, the organisation has small offices in the Blue Mountains and Hawkesbury. It operates with 19 full-time employees.

The youth unemployment rate in the Outer West and Blue Mountains region was around 8.1 per cent in January 2018 (Brotherhood of St Laurence 2018), below the national average. Still, access to areas of higher work opportunities is a limitation. Penrith is located about an hour by public transport from the Sydney city centre, and both staff and young people mentioned transport as a major barrier to education and employment. Other common barriers among clients include mental health issues (anxiety and depression); low language, literacy and numeracy levels; intergenerational unemployment; drug and alcohol abuse; and low levels of resilience.

What did staff say?

Like the other members of the Transition to Work Community of Practice, SIP follows a service delivery model structured in four phases. However, the exact way that staff work with individuals in each phase is not rigidly prescribed. Staff reported having considerable autonomy to tailor actions to each participant’s needs. This could involve supporting actions such as accompanying a young person to hand in résumés for the first time, taking them for a train ride or organising visits to workplaces they were interested in. Staff can access a small fund to address practical barriers that participants might face and that can affect their chances of employment or the ability to begin work, such as work clothes, shoes or a pair of glasses.

Staff cited being genuine, creating a warm environment, introducing participants to different staff members and internal collaboration as routine practices that together contributed to better services for participants. When asked what made them proud of their work, they mentioned being part of a team that ‘really cares about’ young people and having shared values, as well seeing the changes for participants:
Just seeing the young people grow. You get them in and sometimes they’re at a really low point and just seeing them with the right supports around them, how much they can flourish.

Good communication, autonomy to manage their calendar and being encouraged by their managers to be flexible were organisational characteristics that staff identified as enabling them to perform their work well:

I’ve worked in places before where you were stuck and you couldn’t do much. Even though you wanted to help, the people [and] the system didn’t allow it. What I like about this place is I can go to the other coaches and say, ‘I need this, I need that’, and we can work together.

Managers, on the other hand, explicitly mentioned the value of staff to the organisation. They recognised the organisation’s staff profile as the key to the way SIP works, and the lack of a separate human resources department ensured that managers remained in charge of the selection process. They talked about the importance of being personally involved in selection to ensure that ‘wise and warm’ people joined their team:

Despite all the kind of systems and the models we’ve got, the key to our success to date has just been the warmth and wisdom of the staff we’ve employed, because where the systems have been non-existent, or [they] haven’t yet been trained up or have lacked the support, they’ve bridged all of that through their warmth and their wisdom. That is what has carried the day.

This focus on team building and right fit for the organisation might help explain how internal collaboration and shared values developed and defined ‘work style’.

What did young participants say?

All four focus group participants had been referred to the organisation by Centrelink. One participant, who had been at another employment agency for almost a year, summarised her previous experience:

They were really, really bad, they never helped me ... Basically every kind of job they ever referred me to ended up being a dodgy job—they either would not get back to you, or wanted you to do work without protective equipment.

Another participant had held an administrative position in a local employment agency, but criticised the way clients were often treated. She considered SIP a better option because of its knowledge of how to deal with young people, and its ability to balance push and support.

When asked whether they could cite a specific value in their engagement with SIP, three out of four participants mentioned the fact that staff were very understanding and took into account their specific circumstances. Flexibility was especially valued by those who experienced physical or mental health problems:
[They] are really empathetic … They’ve been really understanding [of the fact] that I’m sick and that I do need to take some time to get myself better before I can be fully back into any kind of work.

Young participants were vocal about several issues that were not raised in other case studies. They talked about frustration with limited job opportunities and employers’ attitudes, including discrimination. Some also commented on bullying in schools and by other young people as a source of pressure. They identified limitations that were beyond SIP’s capacity to change, and commented on the mismatch between their career aspirations and what the local labour market offered. In retail, for instance, there was a perception that competition, including the rise of online retail, and labour costs were driving employers to give preference to younger (under 18 years old) candidates, and ‘foreign labour’, regardless of skills or experience.

What was valued?

For participants, individual value was generated particularly through staff responsiveness to their specific circumstances. At the same time, staff highlighted teamwork, genuine caring and managers who gave them autonomy to tailor responses, as critical to delivering the services they valued. In relation to social value, SIP’s long history in Penrith, and its CEO’s own involvement in its establishment and connections with local chambers of commerce, contributed to its legitimate participation in local and larger networks across sectors. At the same time, in regard to social and public values, the staff’s hands-on approach, which included taking participants to potential workplaces and accompanying them to explore the area, showed that they were not only concerned with performance measures, but also intentionally allocated time to build trust and to personalise attention, two qualities that are critical for good quality services.

Field notes

An opportunity to interview the manager of another local community organisation comes up. We talk about market concentration in human services and its impact on users: ‘To be a large provider, you don’t necessarily need to know where the disadvantaged communities are, and why [Penrith] is so well-off on the surface’. He worries about the erosion of trusting relationships in the community, and sees a tension between standardisation of procedures that scale requires, and the flexibility that is essential to generate good outcomes for those most in need.
SECTION 3
Discussion and conclusion
8 Discussion

The common findings across all four case studies highlighted that the value that organisations added in service provision was not limited to final outcomes, but was built throughout regular social exchanges between staff and young participants. The cases also illustrated how organisational characteristics and practices contributed to social value and public value.

Individual value

The case studies demonstrate and are consistent with the literature that finds high levels of individual value are generated by small organisations in relation to meeting people’s unmet or basic immediate needs; supporting people to achieve personal outcomes; and achieving hard outcomes, such as employment and training.

For both young participants (service users) and the staff, the quality of their relationship throughout the service provision was the strongest indicator of value created by the service. In line with previous studies, young users highlighted personalisation, genuine care, a safe and comfortable environment and trust as central to the value they assigned to the services. Mutual trust and genuine care were particularly clear in cases where participants disengaged from the services and were later accepted back, or when staff persisted and helped participants to navigate tough periods without quitting. Also, both participants and staff spoke of the need to adapt services to take into account personal circumstances.

In terms of achieving hard outcomes such as employment and training, the case studies included young people at various stages on their journey. Irrespective of their stage in the journey, the young participants referred to value and the conditions of value creation in similar ways. This suggests that these aspects have a link with the likelihood that hard outcomes will be achieved.

The case studies demonstrate alignment with the first two elements of individual value (described in Chapter 3) that are posited in the literature: having basic needs met and being supported to achieve personal outcomes. In addition, they suggest that the likelihood of individual value being generated is dependent on specific conditions, namely the quality of the relationship (between staff and the young participant) and the environment in which the service is delivered. In the case studies, staff were described as being open to hearing and adapting to a young person’s preferred style of interaction and addressing their personal goals in a warm and welcoming environment. The successful merging of service delivery, environment and relationships to deliver individual value in small organisations is apparent from the case studies.
Social value

The case studies also demonstrate and are consistent with the literature that finds high levels of social value are generated by small organisations in relation to local knowledge and understanding; contributing to social capital; engaging those who are hard to reach; and delivery of highly personalised services.

All of the case studies reflected the notion of local knowledge and understanding, often derived from their long history in their locality and their local embeddedness. Indeed staff referred to many aspects of community dynamics and how to operate within these parameters to get things done.

The contribution to social capital was exemplified by the role many played in local interagency panels and long-established collaborations with businesses and other agencies. These collaborations often strengthened the referral process into the service or facilitated faster responses and the linking of participants to other trusted providers. Of perhaps more value was the example provided in the case study of the mentorship program at Gen-Z. This program generated local legitimacy and social capital by involving skilled volunteers to support young people throughout their journey. Indeed for all four small organisations, a ‘commitment to community’ was how they worked.

Although engaging those who are hard to reach is difficult to assess fully as part of this research, most of the organisations studied operate within communities with high levels of disadvantage. A more consistent reflection of this was the fact that many young people had re-engaged with the service. Service disengagement is common with ‘hard to reach’ populations; and re-engagement suggests that these organisations are actively and successfully addressing this challenge.

The quality of service delivery, reflected as ‘personalised care’, was obviously different for young people being supported by a small organisation. The young people consistently spoke of other service providers, such as Centrelink, treating them like a number and not caring about their story. This suggests that smaller size can have a positive impact on the degree to which a service is personalised and delivers social value.

Public value

The notions of public value—namely outcome achievement, trust and legitimacy, quality of service delivery and efficiency—are all evidenced through the case studies.

Outcome achievement was demonstrated by the participants who attended the focus groups and had achieved a number of hard outcomes, like employment and training, and also personal outcomes.

Trust and legitimacy were generated not only through the elements of social value the organisations were able to demonstrate, but also through the young people’s feeling
that the organisations could be trusted and should be recommended to other young people who needed similar support.

Quality of service delivery was largely identified through the individual and social value generated by the small organisations. Not only were the small organisations pursuing targets, but also their work was informed by a person-centred approach. The fact that their practices made each young person feel recognised as a person, rather than as a number, is by itself a source of public value. Users felt comfortable and safe, and did not reject rules when they perceived authenticity in the relationship with staff.

Efficiency of service delivery is also apparent in the case studies. Many of the small organisations managed this in two ways. Firstly, they delivered more with their funding by collaborating with other organisations or attracting volunteers. Secondly, they actively avoided the duplication of services in the community.
9 Conclusion

This research started with the broad idea of identifying the value added by four small community service organisations. The project was framed within the larger policy debate around commissioning in human services, in which aims such as choice and control by users, users’ voice and service effectiveness are confusingly connected with market-based incentives and solutions, without clear evidence to support such connections.

As the Productivity Commission (2017) recognised, competition and contestability in human services are means to promoting better outcomes and placing ‘people who use human services at the heart of service provision’. However, this is not an automatic process, but requires well-informed oversight:

A stronger focus on users, better service planning and improved coordination across services and levels of government is needed. Governments should focus on the capabilities and attributes of service providers when designing service arrangements and selecting providers – not simply the form of an organisation. (Productivity Commission, Inquiry 2017, p. 2).

Consequently, reforms should do no harm to those providers that already focus on users, personalise services and operate locally in ways that facilitate collaboration among services.

It is within this context that these research findings can be discussed. While findings from four organisations cannot be generalised, they aligned well with international research and with practitioners and funders’ views of the distinctive contribution of smaller community service organisations. Indeed the small organisations demonstrated they were builders and nurturers of social networks, had the ability to reach the ‘hardest to reach’ and also provided great flexibility and responsiveness to service users, as identified by Hunter & Cox (2016). This was largely due to their local embeddedness, nimbleness and local legitimacy.

Thus, we can conclude that small organisations have the ability to deliver individual, social and public value. Moreover, small organisations appear particularly adept at delivering these different types of value in ways that larger organisations may not. For commissioning bodies this is a great challenge. The requirement to be administratively efficient will place significant pressure on them to commission services to fewer and larger organisations, thereby overlooking the small organisations. Over time this will result in small organisations having a reduced role, if any, in the healthy ecosystem of service providers. By responding to administrative efficiency, which has mainly short-term benefits, we may trade away the considerable individual, social and public value that is present in small organisations across Australia today. As such organisations disappear, so do their histories and community connections, and the value they add is lost forever.
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