

This edition finds me with the topic of organisational governance on my mind and, while many of us in the industry talk about governance issues, we seldom touch on them in this journal. Perhaps this editorial commentary will prompt some of you to respond with ideas and observations of governance in the child, youth and family sector; and your thoughts would be most welcome.



Government legislation, regulations and standards of compliance are now required of all organisations and over the last couple of decades these have led to the not-for-profit sector instituting a number of changes in governance structures. This 'level' of governance relates to the legal requirements of operating as an entity and the Australian arrangements are, of course, not unlike those developed in the UK and USA.

There is a second 'level' of governance, however, which refers to 'the arrangements for overall control and direction of the organisation, normally in the form of authority conferred by the membership ... on a board or committee' (Fishel 2003), and this is often referred to as 'corporate governance'.

As practitioners, we take for granted the need for governance, but I wonder if we have carefully assessed the impact of 'corporate governance' approaches that have followed legal compliance arrangements. There are a number of people with long experience in the industry who have concerns about the process of 'colonisation' that has occurred since board membership has become more strongly oriented towards financial and compliance activities; with the membership bringing to bear attitudes and approaches that are more fitted to governance in the commercial, for-profit sector.

According to the Wikipedia ([http://en.wikipedia.org/wiki/Corporate\\_governance](http://en.wikipedia.org/wiki/Corporate_governance)), there are:

...many different models of corporate governance around the world. These differ according to the variety of capitalism in which they are embedded. The liberal model that is common in Anglo-American countries tends to give priority to the interests of shareholders. The coordinated model that one finds in Continental Europe and Japan also recognizes the interests of workers, managers, suppliers, customers, and the community.

In fact, in my brief attempts to find more detail on the different models of governance, I notice that Garber (Fishel 2003) suggests there are five models of governance when referring to the ways in which a board might approach its responsibilities. However, it was interesting to note a further remark in the Wikipedia commentary:

Numerous high-profile cases of corporate governance failure have focused the minds of governments, companies and the general public on the threat posed to the integrity of financial markets, although it is not clear that any system will or should prevent business failures.

One might ask, then, why it is that the Australian government has imposed legal requirements that encourage commercial-style governance in NGOs, opening the way for 'colonisation' of boards by people with for-profit business approaches to governance, when there may be other options for establishing

responsible governance, accountability and transparency in the running of these organisations.

Some distinct differences between the NGO and commercial sectors are worthy of note here, although I acknowledge there are some blurred boundaries these days (Fishel 2003). For instance, seldom are directors on the board remunerated. Their roles are, as with a number of others in NGOs, regarded as a demonstration of commitment to community wellbeing and performed on a voluntary basis. And the stewardship of an organisation carried out by the board of directors is not a process that involves the management of shareholder capital. NGOs funded from the public purse and through donations are, in a sense, owned by the community, most of whom do not derive any direct benefit from an agency's activities.

With governance now perceived as a highly complex set of responsibilities and activities, one of the tendencies has been to appoint individuals with specific expertise in, for example, accounting, public relations and law. This raises the question of the relevance of industry knowledge and understanding to governance decision making, particularly as it appears to be increasingly difficult to get people with such knowledge and understanding to participate on boards. While some authors on governance suggest that industry knowledge and understanding are not required to act as a responsible 'steward' on a board of governance (Boardworks International 1999), others, for instance Fishel (2003), suggest that board competencies include having contextual understanding and being educated about the profession and the organisation. It is my experience that boards are particularly anxious to have expertise in financial and legal disciplines, but give scant attention to establishing a balance in membership that ensures the continuance of contextual and professional understanding and wisdom. This can lead, in the child, youth and family sector, to having people in governance who have no depth of understanding about, or education as to the past, present or strategic directions for our industry. Without an explicit requirement for specific industry knowledge to underpin decision making and strategic planning, the financial and legal aspects of

decision-making, together with risk-averse behaviours, will continue to dominate many NGO agendas.

What is lacking, to my mind, is the research and evaluation that underpins the move to take up corporate models of governance. Nor is there research that supports or confirms the efficacy of such models for our sector. Referring to companies in general, Kocourek, Burger and Birchard (2003, p.68) stated:

Moreover, evidence exists that such externally imposed governance requirements may compromise long-term performance. The outcome of many studies on whether good governance translates into superior returns is both inconsistent and conflicting.

There have been some efforts to investigate governance of NGOs in Australia and overseas, but these appear to be linked to government initiatives. For instance, in the UK there have been several reports into governance, one being by Kumar & Nunan (2002) whose key findings included: that governance was an elusive concept to define and that unsuitable legal frameworks and poor constitutions were a root cause of many governance problems.

I am concerned that we live in an era in which there is a tendency to follow trends and fashions which are not always ideologically or practically suited to what is needed or to the goals we want to achieve. It is worth asking the question: 'What has the industry gained from the adoption of for-profit structures and practices?' And, to take this issue one step further: 'Has this change been a one way street?' A superficial observation of the commercial, for-profit sector suggests that some of the principles and values of the community services sector may go a long way to reducing the impacts of behaviours that place personal gain as a primary consideration together with the securing of profits at all costs, and giving limited attention to social responsibility.

I will, no doubt, continue to be fascinated by the influence of for-profit attitudes, behaviours and approaches in our sector, usually coming from people with no background, understanding or grounded commitment in the industry. The inclination of people without such understanding to judge and criticise the strictures and structures of our industry without an equal preparedness to challenge those of the for-profit sector is worrying. It is easy to 'bracket out' the bankruptcies, the fraud and socially irresponsible deals that are a part of the business sector in most societies while assuming incompetency in the business approaches of community based agencies.

The child, youth and family services industry has learned much over the centuries from a wide range of disciplines. While we have our 'bête noirs', we bring together a depth and breadth of knowledge and skills that reflect a high level of integration between theory, practice wisdom, philosophy and commitment to the wellbeing of others that crosses a range of disciplinary ground. Our commitment sometimes comes at a cost to ourselves, usually demands a modest lifestyle and may act to exclude us from access to some

social milieus. It may also cause us to see things from a narrower frame of reference than is healthy at times.

However, this commitment should also spur us to ask more searching questions about the governance of our agencies, both as an industry in partnership with government and in terms of the make up, culture and expectations of our Boards. We need to ensure a balance of competencies on our boards of directors that includes knowledge and understanding, though not necessarily practice expertise, of the industry. And perhaps it's also time we asked searching questions together with the more fundamental one of: 'What is the most appropriate model of governance for our sector — and why?'

Now it's time to move from thoughts concerning governance to more immediate matters and, firstly, to the decision of my Co-Editor, Lloyd Owen, to take a year's break from the role. Lloyd has been instrumental in maintaining *Children Australia* for many years now, but is engaged in PhD studies and a range of other activities which limits his availability to us for 2006. On behalf of our readers and the *Children Australia* team I would like to wish Lloyd well for the year ahead. Lloyd, we hope you will complete your studies with great success and miss us so much that you will return with a rush for 2007, albeit perhaps in a different role.

It is also of importance to acknowledge the awarding of an OAM to Di O'Neil for her work in the sector in the New Year's Honours. There were a number of people associated with the human services through teaching, research, and community work who received awards this year. Congratulations to you all.

For this first edition of *Children Australia* for 2006 we have selected papers on the diverse topics of sibling relationships, the engagement of Aboriginal children in policy development, and the mothercraft learning and infant welfare movement. Also included are several book reviews which feature Australian and UK publications.

The importance of maintaining sibling relationships in out-of-home care arrangements has been a thorny issue for a long time now and is the topic of focus for the paper prepared by Helen Schwenke, Susan Hudd and David Vicary. The authors discuss the issues of attachment, family structure, cultural diversity and development, together with those of contact, care planning and long-term care. Research in each of these areas has contributed to current policy and practice in Western Australia and forms the basis for new legislation to be introduced this month. In reviewing the literature, the authors conclude that sibling placement mitigates against placement breakdown and they make five recommendations for practical application of contemporary research findings.

One of the assumptions often made when studying the experiences and the outcomes for children and young people in care is that care arrangements will be available when needed. Unfortunately, this is not always the case and it is common knowledge in the sector that foster parents are increasingly difficult to recruit. Complex changes in our

social expectations and structures are responsible for this situation as discussed in earlier editions of *Children Australia*, but some of these changes are reflected in the research carried out by Ciara Smyth and Marilyn McHugh in NSW. Their findings suggest that greater credence needs to be given to concerns about issues of training, support and remuneration and their importance for carer retention. Though changes to the status of foster carers have policy implications, it is evident that many now perceive their roles as professional, or semi-professional, rather than purely voluntary, given the demands and challenging behaviours with which they deal every day.

Consultation with children in developing and commenting on policy by the Office for Children and Youth in Western Australia was the topic of an article in our last edition of the journal. Now we are able to include a further paper by David Vicary and three colleagues who tackle the issue of including the voices of Indigenous children and young people. The paper describes the six phases used in the development and evaluation of their work by means of a case study to explicate the approach used. This cutting edge work provides evidence that much can be gained through effective, sustainable and culturally sensitive communication with Indigenous communities. However, such work also demands a depth of commitment together with the intent to develop long-term, dynamic relationships that go far beyond the notion of professional acquaintance.

Rachel Kitchens' article uses an historical perspective in investigating the infant welfare movement in Australia prior to the Second World War. Her work is based on the idea that

mothercraft is learnt rather than being instinctual, thus framing infant welfare services as a system of parent education. She highlights some unintended consequences of taking an educative approach, suggesting that it has played a role in the growing distance between children and adults, the increased complexity of parenting and length of time over which children attain 'civilised' behaviours.

In closing, could I once again invite readers to contribute comments through Letters to the Editor or brief commentary pieces. We are also keen to ensure that those working in the child, youth and family services sector are familiar with recent publications. This would be greatly assisted by readers writing reviews of books and reports they have read, or alerting us to new publications so that we can arrange for a reviewer.

Jennifer Lehmann

## REFERENCES

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**Children Australia** is a refereed journal – all papers submitted are peer reviewed to assess their suitability for publication. Peer reviewed papers are expected to meet contemporary academic standards. However, at the discretion of the editor, papers which have not been reviewed are published from time to time. Such papers may include: short commentaries on practice issues that are essentially based on observation and experience; reports on program approaches, initiatives or projects that are both short and unreferenced; historical overviews; short papers that respond to a peer reviewed article published in an earlier edition which adds to informed debate or provides an alternative perspective. It is anticipated that no more than one such paper would be included in each issue.

In order to clarify which articles have been reviewed and which have not, we will now include a symbol at the end of each article as follows:

■ = peer reviewed article    □ = non-reviewed article



Di O'Neil, OAM

*'There have been many others on the journey with me and what gives me the most pleasure is to see our passion and persistence actually influencing policy and practice across Australia and further afield. The context in which our clients live is so much more powerful an influence on their well being than any direct service we can deliver.'*

## CONGRATULATIONS

to Di O'Neil, Executive Director of St Luke's Anglicare in Bendigo, Victoria, who was awarded the Order of Australia in the 2006 Australia Day Honours List for service to the community in the field of social work, particularly in the areas of child and family welfare.