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# **Contracting for Care:**

## **Constraints and Opportunities**

A thesis presented in partial fulfillment  
of the requirements  
for the degree of  
Master of Philosophy (Social Work)  
at Massey University

**Kathryn Hay**  
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## Abstract

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This thesis is a case study of the responses to changes in government funding by one branch of the Open Home Foundation, a Child and Family Support Service in Aotearoa/New Zealand, between 1989 and 1999. The research focuses on adaptations in its organisational structures and social work programmes and in its wider organisational context.

During the last decade political and economic change in Aotearoa/New Zealand has affected all sectors of society including the third sector<sup>1</sup> and its nonprofit organisations. Devolution of government responsibility and the introduction of contracting with nonprofit organisations are national and international trends. The research found that the branch studied was significantly affected by these changes.

The branch adapted its organisational structure to meet the new legal, accountability and contracting requirements. An increasing emphasis on professionalism led to specialised roles for paid, qualified staff, with the role of the Director focusing more on management. The branch is part of a well-established national body with a reputation for delivering effective and professional social work services. Thus the organisation successfully competes against other nonprofit organisations for the limited pool of government funding. In part the reputation of the Open Home Foundation has also enabled it to maintain its original Christian value-base while becoming more professional in its business and social work practice.

Contract requirements have influenced the type of social work programmes delivered by the branch. Government's specification of outcomes limits the range of service delivery and restricts preventative work. Maintaining non-governmental sources of funding has been essential for the branch in order to provide programmes not considered by the government as 'core services.' These sources of funding enable the branch to retain a degree of autonomy and to avoid becoming an 'agent of the state.'

The branch of the Open Home Foundation has to a large extent adapted to meet the demands of government while still maintaining its Christian philosophy and integrity. It is argued that the changes in government funding over the past decade have, on the whole, positively affected the branch's professionalism, its efficient organisational structure and effective social work programmes.

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<sup>1</sup> The third sector includes all organisations that are non-government and non-private. This definition is discussed further on P.14.

## Acknowledgments

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While developing this thesis I have been ever mindful of the importance of creating accessible and useful research. In some small way I hope the findings of this piece of work will be useful for both the work of the Open Home Foundation and other Child and Family Support Services throughout Aotearoa/New Zealand. For that, ultimately, is what this research has been all about.

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