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### **Approaches to quality for third sector organisations delivering social care in Scotland**

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#### **Abstract**

##### **Purpose:**

Third sector organisations are required by key stakeholders, such as government funders and regulators, to implement quality initiatives to make operations effective, fulfil strategic priorities and contribute to their long-term viability. Furthermore, improving the quality of services is considered a health and social care priority. However, there is little evidence from the literature on the implications of implementing quality for the third sector. This paper aims to improve understanding of how third sector organisations in social care address their stakeholder requirements.

##### **Methodology:**

Drawing on interviews and observations from third sector organisations delivering social care in Scotland, the research explores how quality initiatives are identified, adopted, implemented and evaluated.

##### **Findings:**

Operating in a complex knowledge deficit field driven by key stakeholder requirements, third sector organisations drew on informal and formal networks to support inter-organisational learning on quality approaches. This was relevant to the identification, adoption and implementation of approaches to quality, and revealed a gap in respect of evaluation. The most recognised quality approach in use was the EFQM Model. Findings also showed that quality initiatives were closely connected with mission and values. With implications for both policy and practice in the recently integrated health and social care services in Scotland, this exploratory research improves our understanding of the barriers to implementing quality, as well as the factors which may contribute to its effectiveness.

**Research limitations:**

This research focuses on large, major, and super major third sector organisations with capacity to support such initiatives. Small and micro third sector organisations are unlikely to have similar resources to devote to implementing quality initiatives, despite similar demands from stakeholders, and future research should be directed to such organisations.

**Originality/Value:**

This paper uses empirical evidence to add to the body of knowledge on the application of quality for third sector organisations, as little research has been done in this area this makes a valuable contribution to the body of knowledge, with implications for policy and practice.

**Keywords:**

Third sector organisations; the EFQM Model; quality standards; quality management; health and social care organisations.

**Paper type:**

Research paper

**1. Introduction:**

Third sector organisations are increasingly involved in the delivery of health and social care services (Bach-Mortensen & Montgomery, 2018; Macmillan, 2021). The improvement of the quality of services is considered a global priority for health and social care services (Quinn et al., 2021). Third sector organisations are perceived to provide a unique added value in delivery of services that benefit communities, the wider public and society (Corduneanu & Lebec, 2020; Greatbanks et al., 2010). Mission driven and with a core set of underpinning values, they are required by stakeholders to develop strategies to improve their sustainability, ensure strategic priorities are fulfilled and ensure effective operations (Macedo et al., 2016; Morris & Ogden, 2011; Taylor & Taylor, 2014; Weerawardena et al., 2010). However, there is a paucity of understanding about the adoption, implementation and evaluation of quality initiatives being undertaken in the third sector (Al-Tabbaa et al., 2013; Cairns, 2005; Liao et al., 2014; Melão et al., 2016; Quinn et al., 2021; White et al., 2009). Using qualitative data drawn from regulated Scottish third sector organisations providing social care, this research explores how third sector organisations are identifying, adopting, implementing, and evaluating their quality initiatives. This research paper begins by outlining the third sector landscape and the stakeholders which have an impact on the strategic direction of organisations. Our current understanding of the application of selected quality initiatives for the sector is explored. After detailing the methodology, the findings are discussed and the implications for improving our understanding of the application of quality initiatives in the third sector are elucidated.

## **2.1 The third sector context**

The third sector in recent years has been playing an increasingly prominent role in the delivery of social care and welfare services previously delivered by public agencies (Bach-Mortensen & Montgomery, 2019; Corduneanu & Lebec, 2020; Milbourne & Cushman, 2012). It is perceived as offering unique added value to its stakeholders, including its funders, the agencies which regulate it, and the people (beneficiaries) and communities which it serves (Macmillan, 2021; Milbourne & Cushman, 2012; Taylor & Taylor, 2014). Understanding third sector characteristics serves to recognise the challenges it faces in applying management approaches which have been typically designed for use in a for profit or public sector context (Carmel & Harlock, 2008; Macmillan, 2013). It is described as having a strong focus on mission, vision and values, with a distinctive organisational culture (Arvidson, 2009; Macedo et al., 2016; Macmillan, 2013), which can run counter to management approaches understood by its stakeholders (Arvidson, 2009). It operates within a complex landscape of stakeholders which are responsible for both funding and regulation (Bach-Mortensen & Montgomery, 2019; Cairns, 2005; Gomes, 2015; Taylor & Taylor, 2014; Woodroof et al., 2021), whilst at the same time has been criticised for having weak or uncertain strategic approaches (Cairns, 2005; Dart, 2016; Maier et al., 2014). The increasing scrutiny from funders has required the third sector to become more business focused (Liao et al., 2014; Taylor & Taylor, 2014) whilst still operating within the same mission driven governance structure (Hyndman & McDonnell, 2009; Macedo et al., 2016) and maintaining its distinctiveness (Dart, 2016). The accountability requirements towards stakeholders are reportedly demanding (Taylor & Taylor, 2014) and organisations are expected to keep up to date with management practices in order to ensure they maintain trustworthy relationships with stakeholders which will contribute to improving performance (Gomes & Gomes, 2015; Manville & Broad, 2013; McConville & Cordery, 2021). However, the third sector is perceived to be more risk averse than those in the for-profit sector when applying management tools developed in other sectors (White et al., 2009), potentially due in part to less stability around its frequently short term funding contracts (Macmillan, 2021). Despite the challenges, it is still considered essential for third sector organisations to ensure that operationally they remain effective and can fulfil their strategic priorities (Lebec & Dudau, 2023). However, existing knowledge of the implementation of management practices within the third sector literature remains slight (Liao et al., 2014; Melão et al., 2016; Quinn et al., 2021; Taylor & Taylor, 2014).

### **2.1.1 Quality in the third sector**

Quality management has become interwoven with the strategic aims of third sector organisations (Cairns, 2005; Liao et al., 2014; Woodroof et al., 2021). Within the complexity of the public sector's commissioning cycle third sector organisations (TSOs) must evidence their quality management approach to maintain existing contracts or win new business (Macmillan, 2021; Moxham & Boaden, 2007). For TSOs operating in the health and social care sector the registration requirements will further mean they are scrutinised and inspected against care standards (Bach-Mortensen & Montgomery, 2019). Funders will require reassurance through quality systems to ensure their funds are being distributed to organisations which can manage risks and are managerially sound (Morris & Ogden, 2011; Woodroof et al., 2021), while for the TSOs themselves it will further support competitive advantage (Woodroof

et al., 2021). However, research suggests that implementing funder driven initiatives to evaluate the quality of services can be meaningless or even damaging (Carman & Fredericks, 2008). Despite the challenges, there is increasing pressure on TSOs to develop their improvement approaches through quality initiatives which will support their long term viability (Al-Tabbaa et al., 2013; Cairns, 2005; Quinn et al., 2021; Taylor & Taylor, 2014). TSOs have had to consider a variety of approaches such as developing their own quality standards (Arvidson, 2009) or self-evaluation strategies (Al-Tabbaa et al., 2013). Given the general consensus that adopting a quality management approach may support organisational sustainability, and strengthen competitive positioning, it is likely that TSOs will need to consider adopting a quality management approach (Liao et al., 2014; Quinn et al., 2021). However, there appears to be a dearth of literature on the implementation of quality in the third sector (Cairns, 2005; Quinn et al., 2021). This despite the argument that quality initiatives can impact positively on their organisational performance (Lebec & Dudau, 2023; Liao et al., 2014; Woodroof et al., 2021). In addition to the strategic imperative, there is the added public facing scrutiny in which those stakeholders using TSOs services are encouraged to check the status of their quality initiatives, for example, by scrutinising inspection reports (Arvidson, 2009; Bach-Mortensen & Montgomery, 2019). Thus, although there is some evidence on why quality management systems are adopted and which tools are potentially in use, there is currently little empirical evidence in existence about their overall impact on organisational effectiveness.

The influences on TSOs when deciding which, if any, approaches to quality to adopt are a mix of interrelated factors; they can include internal and external pressure from stakeholders, including the regulator (McConville & Cordery, 2021) and funders, particularly where instability of funding is a prime concern (Brodie, 2012; Cairns, 2005; Morris & Ogden, 2011; Woodroof et al., 2021). Establishing quality assurance systems can operate as marks of distinction to funders, commissioners and beneficiaries and provide the TSO with strategic positional advantage (Macmillan, 2013). In line with new institutional theories, the adoption of quality systems by third sector organisations can secure external legitimacy and credibility and accountability with a range of stakeholders (Brodie, 2012; Cairns, 2005; DiMaggio, 1983; Liao et al., 2014). It is therefore, suggested that for TSOs it has become more of a mandatory requirement to engage with a quality initiative to support successful strategic implementation (Arvidson, 2009; Macmillan, 2021). Al-Tabbaa's (2013) work on quality in TSOs further posits that quality can be achieved when TSOs are able to provide both satisfaction and a positive impact for their beneficiaries.

With such imperatives in place however, there is little evidence to support our understanding of which quality approaches are in place. Drawing on the existing literature the research presents an overview of three of most commonly cited quality tools within the field of third sector research, two of which were derived from the private sector: the EFQM Model and ISO 9000, and PQASSO which was developed by and for the third sector, with conclusions drawn from the literature about their relevance and uptake for TSOs.

### **2.1.2 The EFQM Model (European Foundation for Quality Management)**

The EFQM Model is cited as an example of an approach to quality assurance that funders and commissioners are looking for from third sector organisations (Brodie, 2012; Cairns, 2005). However, despite the model being recognised as an effective tool for performance improvement

there is little evidence to illustrate its application to the third sector (Al-Tabbaa et al., 2013; Melão et al., 2016). It is considered to be the most widely used Excellence Model in Europe and its generic nature means that it is designed to be applied to any organisation regardless of sector (Melão et al., 2016). Third sector organisations report it has external benefits, such as demonstrating value to funders (Brodie, 2012; Liao et al., 2014). In Brodie's (2012) scoping study reviewing the use of quality standards in the third sector, amongst funders, commissioners and third sector organisations, the EFQM Model was viewed positively for the following reasons: it looks at both processes and outcomes, much of the work can be done internally, and its flexibility allowed organisations to adapt and tailor it for their requirements (Brodie et al., 2012). In respect of its applicability to the third sector, Gómez Gómez et al., (2011) however, concluded that EFQM was a better 'fit' for private companies, than for public and third sector organisations. Although there has been little further evidence to corroborate this to date, the implications are, again, significant for many third sector organisations which may be using this approach (Gómez Gómez et al., 2011). The debate on the applicability of quality models derived from the for profit sector and adapting for the third sector has been further scrutinised by Moxham (2009) who argues that "*the body of knowledge on performance measurement system design is applicable to the nonprofit sector and should be utilised*" (Moxham, 2009, p. 755). Al-Tabbaa et al. (2013) also posit that quality models in general, in particular the EFQM model, are relevant to TSOs and can be adopted both for self-assessment and also as tools for planning improvement. The authors further argue that the main criteria of the EFQM Model should be modified in order to better address the specific needs of TSOs (Al-Tabbaa et al., 2013). Overall, the paucity of empirical evidence on the adoption and implementation of the EFQM Model in the third sector means it is a field yet to be more fully explored (Al-Tabbaa et al., 2013; Melão et al., 2016).

### **2.1.3 ISO 9000 Standard**

The ISO 9000/ISO 9001 family of standards is used across all sectors internationally, is applicable to all areas of work in an organization, and is considered to be the most widely used management tool in the world (Brodie, 2012; Sampaio et al., 2012). The ISO 9000 suite of standards is viewed as being able to deliver improvements to organisations through structuring and optimising the internal processes resulting in improvements to quality, (Gómez Gómez et al., 2011; Sampaio et al., 2012) and, for the third sector ISO 9000 is considered the preferred quality management or quality assurance approach of third sector commissioners and funders (Brodie et al., 2012). However, there is little research on ISO 9000 within the third sector, and conclusions drawn to date indicate that the standard has presented difficulties for the sector, including, for example, excessive paperwork, lack of top management involvement, lack of culture of quality of care and poor staff training (Melão et al., 2016). The barriers to implementation are typically seen as; costs of training, consultation, registration, and the practical difficulties of performing internal system audits (White et al., 2009). The relationship between an organisation achieving certification and resulting in better organisational performance is scarce and results are contradictory (White et al., 2009). White et al., (2009) further argue that the unique operational conditions of the third sector may not be suited to the arbitrary application of a management tool, such as ISO 9000, which was developed in and for another sector (Myers & Sacks, 2003). A third sector case study concluded that although implementing ISO 9000 worked well as a vehicle for structuring and optimizing internal

processes, it was considered costly (Sampaio et al., 2012; Gómez Gómez et al., 2011; White et al., 2009). There is also a perception that the third sector is more risk-averse than other sectors, making it a less applicable option for them (White et al., 2009). The many drivers for adopting a formal quality system such as ISO 9000 are complicated, including pressure from funders, and national governing bodies, alongside the desire to standardise and improve (Al-Tabbaa et al., 2013). Although positive benefits from implementing the standard have been noted for TSOs, such as improved relations with users and governing bodies (Melão et al., 2016), viewed in this light it is perceived as too intricate and expensive to seem like a viable option (Brodie, 2012; Cairns, 2005; White et al., 2009).

#### **2.1.4 PQASSO (Practical Quality Assurance Systems for Small Organisations)**

PQASSO (now Trusted Standard)<sup>1</sup> was developed in 1996 by the Charities Evaluation Services on behalf of the NCVO (National Council for Voluntary Organisations), the membership organisation for charities in England (Cairns, 2005; Myers & Sacks, 2003). Of the approaches here, this is the only one developed by and for the third sector, its origins are therefore highly contextualised (Cairns, 2005; Quinn et al., 2021). It used a self-assessment approach to evaluation against a set of sector specific standards and was considered to offer an approach to quality assurance which is relatively mechanistic (Brodie, 2012; Cairns, 2005; Myers & Sacks, 2003). Early studies perceived it positively and a 2012 scoping study of 200 voluntary organisations in England and Wales showed it to be ranked as the most widely used of all quality standards (Brodie, 2012). Those organisations which had implemented PQASSO perceived it positively for encompassing organisational processes and outcomes and it was also viewed as being particularly beneficial for small organisations (Brodie et al., 2012). However, using self-assessment as an approach for evaluation of quality lacks any clear consensus as to its usefulness in this respect (Harlock, 2013; Moxham, 2014) and has been critiqued as a “*loose, uncertain, and variable process*” (Paton et al., 2000, p. 29). Past research has suggested that although the adoption and implementation of PQASSO in third sector organisations may lead to improved processes, service outcome benefits are less certain (Cairns, 2005; Melão et al., 2016). Broadly, though, despite its reported popularity among third sector organisations and its sector specific origins, with the limited empirical and academic literature available on this approach the effectiveness of PQASSO remains inconclusive.

#### **2.1.5 Summary**

The literature provides little certainty on the appropriateness of approaches which TSOs can use to implement quality in their organisations. Whilst considering the take-up of quality change programmes in third sector as an appropriate strategy to demonstrate organisational viability (Liao et al., 2014; White et al., 2009; Woodroof et al., 2021), there is ambiguity about whether using approaches designed in the for profit sector are appropriate in the third sector with their complex stakeholder relationships and distinctive structure (Macmillan, 2013; Taylor & Taylor, 2014). More research into the tools and approaches is needed to better evaluate their viability for the regulated sector in an environment which has little capacity for funding errors

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<sup>1</sup> PQASSO changed its name to ‘Trusted Standard’ source <https://trustedstandard.org.uk/trusted-standard/> downloaded on 1/06/23

for any management initiative. It is unclear how third sector organisations are supported in their knowledge and development in this field, and they are potentially open to making costly errors in selecting unsuitable approaches, risking taking funds away from the beneficiaries and communities they are committed to supporting.

### **3: Methodology**

This research used an exploratory, qualitative research design (Bryman, 2004; Ritchie et al., 2013). Exploratory research is appropriate to support an examination of perspectives of research participants (Ritchie et al., 2013). It allows for an interpretive understanding of the field of quality by learning about the sense participants make of these concepts in their environment (Flick, 2014). Once the research design was completed it was submitted to the university for ethical approval which was accepted (Lebec, 2021). A purposive sampling approach was adopted and the selection of participants and settings chosen on the basis of being pivotal to the delivery of a process and therefore critical to an understanding of the research (Ritchie et al., 2013). An active network of third sector organisations was approached via the gatekeeping organisation which formed the basis of the first group interview and members of that group were subsequently invited to attend individual interviews. Capturing views from a number of third sector organisations allowed for a variety of perspectives according to the size and remit of each individual organisation and also allowed for an exploration of commonalities among members of inter-organisational networks (Ritchie et al., 2013). The Scottish third sector environment proved advantageous to research as the participating organisations were working within the same social care regulatory and funding environment and had developed collaborative working practices over the years (Bach-Mortensen & Montgomery, 2019). The third sector organisations central to the research ranged in size and type of service provision, including, for example: disability and learning disability services; drug and alcohol dependency; mental health; services for children and housing support. Semi-structured individual interviews were undertaken with third sector specialists with responsibility for quality, performance and business development, directors and chief executives. Group interviews took place with networks of third sector quality and performance specialists, and there were observations of group meetings of the same specialists. Individual expert interviews, as well as group interviews therefore formed the core elements of the research design and the participants were all identified as experts in the field of third sector quality and performance (Flick, 2014). In total 13 individual interviews were carried out alongside two group interviews and three group observations. The three field observations were of the inter-organisational stakeholder networks which allowed group proceedings to be viewed uninterrupted and compared the statements made in interviews with the practice on the ground (Flick, 2014). There were 16 large, major and supermajor third sector organisations participating in interviews and 23 individuals participated across all interviews. During interviews, participants were asked to identify which approaches to quality they were using or had considered using, identify challenges and influences in relation to adopting and maintaining these approaches and identify the benefits of these approaches for their key stakeholders.

After completing the interviews, which were recorded verbatim, detailed transcription was undertaken. In order to make the coding and retrieval of qualitative data more effective, as well as to help with developing explanations and to encourage reflection on the process of

analysis NVivo was used to support the management of data (Bryman, 2004; Miles et al., 2013). Data analysis involved coding the transcripts and moved to interpreting and analysing the data using a thematic analysis (Boyatzis, 1998; Miles et al., 2013). Triangulating the data from interviews, observations and field notes supported a rigorous approach (Ritchie et al., 2013). Findings generated from the data are presented in the next section.

## 4: Findings

### 4.1 Defining Quality

As interviewees did not make a distinction between quality assurance, quality management or quality improvement; the concepts have been amalgamated to the generic ‘quality’ for ease. Defining quality in the context of third sector provision generated a significant debate. Each third sector organisation was providing a variety of different services and the bespoke nature of service provision in each third sector organisation, e.g., from adult learning disability to children’s services, meant that interviewees believed that there could be no one definition or approach which would work across all organisations, a group discussion generated the following reflection:

*you are going to do it [quality] totally different from me...  
because you are working with a different client group (Group 1).*

Many were aiming to circumvent the challenges associated with what appeared to be the ‘ambiguous’ language of quality, what one interviewee likened to a having a “*secret coven of people who know the language and control what’s going on*” (Quality Specialist 1). Despite the lack of clarity, there was support for engaging with quality as participants confirmed it would lead to improvement for their organisation and one participant described a quality organisation as “*making people happy, in simplistic terms, happy customers, happy workforce*” (Quality Specialist 2). In practice, participants were defining, designing and implementing quality tailored to the context of their organisation, without an overarching blueprint or template for implementation and operationalisation or a specific sector approved approach.

Participants were less interested in considering quality as a means of ensuring compliance but strove to produce an approach that would add value and purpose to their organisation. Further discussions concurred that quality was about the satisfaction of the people who were using the service, including that it was ‘person-centred,’ or more simply, one that primarily meets the needs of the person using the service, as a Chief Executive explained:

*I think a quality service is where the focus is on the people, the recipients of the service, rather than the outcomes that that service achieves, because I have seen services get good outcomes, to me that is not a triangulated result, and that service may get very good results (CEO 1).*

Participants considered the formal outcome measurement and associated processes of quality to be of lesser importance than ensuring that people are, in effect, satisfied with the service they are receiving, in other words, the underlying principles were viewed as having a higher priority than the associated practices. Initiating or driving improvements through quality initiatives were variously described as ‘daunting’, ‘challenging’ as well as ‘exciting’ by the



interviewees. Participants stressed that they wanted to ensure that they delivered the best service possible, which needed to be aligned with organisational values. Improving the service for the benefit of those who used it was the primary element in all discussions, and also led many to reflect on changes in culture that would be needed to support that. Organisations recognised the challenges of the quality of services being driven down by the cost efficiencies demanded by funders, but equally all reported that quality of service provision was still the overarching driver for them, above cost and legitimacy.

Informants explained that quality needed to be an integrated process with ownership of the quality of service delivery understood and supported by everyone within the organisation; one interviewee described this as ‘devolved’ quality assurance. Unless everyone within an organisation could understand and implement the chosen approach it would be difficult to ensure its effectiveness. There was a sense of optimism amongst the interviewees that their approaches were working and that they would keep evolving to improve and meet the needs of the beneficiaries. Quality was, therefore, not seen as a separate function within the organisation, but strongly connected to the beneficiary, the organisation and to the longer-term desired impact as illustrated by the following quote:

*What difference that is actually making to somebody’s life, as well as to the organisation, and pull that together and I think that is where the kind of quality system and things like that could come together and really make those links (Quality Specialist 1).*

The implications are that applying quality is a fundamental part of organisational culture, supporting the delivery of organisational mission as well as improving outcomes for individuals.

## **4.2 Quality Frameworks, Standards and Certifications**

### **4.2.1 EFQM Model**

The organisations taking part were actively using, had used in the recent past, or intended to use in the immediate future, the EFQM Model (European Foundation for Quality Management); it was the dominant management framework and accreditation tool in use. There was a consensus among interviewees that its successful implementation in Scotland was due to the influence of a long standing network of third sector organisations, the Voluntary Sector Network, which had been in existence for around 15 years.

*I think that [EFQM] has really come from the creation of the Voluntary Sector Network and I think that is where it all came from. If we hadn’t had that in place for such a long time, would the third sector be in the same place, in terms of EFQM? I’m not sure to be honest (CEO 2).*

It was clear from interviewees that the influence of EFQM was widespread amongst the Scottish third sector. One of the most significant reported changes was the adoption of the EFQM Model by Scotland’s care regulator, the Care Inspectorate; viewed positively by those who were engaged with EFQM:

*The Care Inspectorate are using, actively using the Excellence Model [EFQM] now, which is great. They are going for Recognition as well, so they are going through it. They understand the process, which is really beneficial (CEO 1).*

There could be, however, a potential for bias in the adoption of a specific accredited model by a regulatory body with organisations perceiving that use of the model was to be mandated or might become mandatory in the near future. Participants in the group interviews were concerned that TSOs not using this model could find themselves at a disadvantage in inspections, or perhaps receive a recommendation from the regulator to use the model as part of an improvement initiative, without wholly considering its appropriateness.

Participants reported that adopting the EFQM Model was supporting them with the process of commissioning and procurement. While some interviewees noted senior managers had sought to legitimise their activities, working towards organisational improvement was a driving force.

*EFQM ...is all about asking why you are doing something, like you know, what sort of result you want to achieve so, hopefully, it is not just about getting another badge (Group 2).*

Whilst from the perspective of participants, there was an expectation that organisational improvement would result, a quality specialist explained the advantages of using the EFQM Model and the work required for adaptation.

*The thing I like about EFQM versus ISO is there is no restriction in terminology, ... for ISO to work for you... to get past your ISO inspections everyone in the organisation has to know that you work to ISO standards. With EFQM we can call it whatever we want, we can call it [Organisation] Quality Group, and then you can change all the language to suit here, which I suppose is the benefit of EFQM, you know, but it is also the downside because you don't have something you can take off the shelf and use (Quality Specialist 3).*

For the interviewees whose organisations were using the EFQM Model there was agreement that EFQM used well known, tried and tested principles and processes of quality management, recognisable with roots in pre-existing quality approaches. Third sector participants considered that when selecting an appropriate quality tool the EFQM Model was a good fit because it aligned with organisational values and was holistic incorporating all aspects of an organisation's strategic activities.

Promotion of the EFQM Model among Scottish organisations had been driven largely by 'word of mouth' recommendations. Members of the Voluntary Sector Network had encouraged people to join the network and then supported them to implement the model. It was also noted by some that the EFQM Model added value to organisational activities, but it was felt that working towards an external recognition would allow each organisation to promote themselves, to gather further funding and, furthermore, working with a recognised framework would give funders confidence that an organisation was using a tried and tested framework. The benefits of using the EFQM Model within an increasingly competitive third sector environment were highlighted by a Chief Executive:

*Because, you know, this is a very competitive business, people have views about organisations like ours and I think it's nice to have, you know? Big companies have got that, wee companies have got that, social enterprises have got that, charities have got it, and so have we (CEO 3).*

An interviewee also explained that the use of the EFQM Model could act as a defence in Scotland against the competition from private sector companies, which were beginning to dominate the social care field in England. The implication from third sector participants was that the private sector entering or dominating the field of social care would have a negative impact on the provision of care, due to profit being the primary driver, as opposed to mission.

#### **4.2.2 ISO 9000**

All the organisations reported that they had assessed the applicability of the ISO 9000 suite of standards for their organisation. One CEO of a major organisation reported how he had considered and subsequently rejected an ISO approach:

*I certainly came here with the idea that I would quickly put in an ISO-based system and then realised, nah, that doesn't really fit. So, while I would probably want to get there in some distant nirvana future it certainly didn't seem to me to be the right thing to do, because I felt as though it's such a people service so you could miss a lot doing a documented quality management system – not that they are bad things, I think they're great. But actually, it is the people service, how do you actually monitor, influence and develop a people service? You don't do it with the documented quality system, so that is why I thought 'I need to rethink this' (CEO 3).*

There are elements here of the lack of cultural fit with the mission driven third sector approach. Although ISO 9000 was considered by participants as a well-known and potential management tool, and a suggested accreditation method highlighted on tendering forms in the commissioning process, the participating organisations reported they had not adopted it. This presented an interesting perspective as those participants with backgrounds in the private and public sector recognised the value of ISO in those sectors but perceived that the process driven approach of ISO 9000 did not suit the third sector. It was not untypical for interviewees to report that their previous background in the private sector meant they were familiar with ISO and had considered using it for that reason.

*Yes, because I came in from the private sector my presentation was very ISO based. So, in the private sector you couldn't tender for anything if you didn't have ISO 9000 and to be perfectly honest most companies pay lip service to ISO, so they go out, they build a wee tool, they get their stamp and a certificate and then they go to tenders and anyone who thinks otherwise is delusional! (Quality Specialist 4).*

There was frustration from the participants that the commissioning process asked organisations if they held an accreditation, such as ISO 9000, yet organisations considered this an

inappropriate model for them to undertake as evidence of their quality of service. Interviewees reported having to justify their use of another approach, i.e., using another standard, framework or certification, or provide detailed evidence on how their internal quality system was designed. An organisation reported having been close to adopting ISO as an accreditation tool, but subsequent demands from the care regulator meant that regulatory requirements became a priority. Overall, participants did not perceive any inherent value on the use of ISO 9000 as a tool for organisational improvement, learning or development.

#### **4.2.3 PQASSO**

PQASSO (Practical Quality Assurance Systems for Small Organisations), the quality model which was designed by and for third sector use, was another quality framework that participants were familiar with. However, although a few had considered its potential viability for their organisations, none of the participants had opted to use it. One interviewee reported that having a system initially designed for ‘small’ organisations was off-putting to her own major sized organisation, and certainly its initial design framework for smaller organisations was a deterrent to those organisations from large to super-major. It was known to be in widespread use in England, with a supportive associated network, but was not sufficiently supported by funders in Scotland, or any other organisations, to give it enough leverage. One of the interviewees had, in fact, direct experience of PQASSO in the Scottish context and was aware of some Scottish organisations which had used it, although contextualised this by explaining its use was “*very light in Scotland*” (*Development Manager 1*). The participant reported that a pilot PQASSO project was initiated by a funder (prior to these interviews) with 20 organisations, but since that time most organisations had ceased using the model and with only two organisations remaining in the pilot at the time of the interview it seemed unlikely to retain long term support in the Scottish third sector. It was explained that the reason for this lack of continued support was that there was no driver from funders to use this as evidence of quality management or assurance.

### **5: Discussion and Conclusion**

A key feature of implementing quality is to apply an externally recognised framework, standard or certification to demonstrate achievements to funders or other key stakeholders (Moxham & Boaden, 2007; Cairns, 2005). The motivations for undertaking such external frameworks were explored with participants, as well as the approaches which were in use and the reasons for using them. Using Scottish organisations as the sample proved particularly interesting as the results showed that the dominant model was the EFQM Model (Al-Tabbaa et al., 2013; Gómez Gómez et al., 2011), as opposed to the internationally recognised ISO 9000 (Sampaio et al., 2012; White et al., 2009) or the sector specific PQASSO, previously reported as the most widely used quality standard of the English third sector in 2012 (Brodie, 2012). A primary reason for the use of EFQM was reportedly due to a longstanding inter-organisational stakeholder network which fulfilled the role of knowledge network and community of practice for its members and acted as a determinant in supporting benchmarking and active stakeholder engagement.

Whilst this approach was in no way being mandated, participants found the lack of surety from funders over a recommended approach challenging. A quality specialist outlined what he perceived as the key issue for the sector:

*It's the one thing missing... can we just get a recommendation of this is the quality standard that they want you to go for? It was dead easy in the private sector, you had to have your ISO badges, we couldn't compete in tenders if you didn't have them, there was no choice of getting funding for things ... we couldn't physically sell that product if we didn't have these 5 or 6 stamps on the side, whereas there is nothing in this sector (Group 1).*

Third sector organisations were effectively operating in a knowledge deficit field, reliant on *de facto* communities of practice to support their decision making in relation to quality. The TSOs in this research were using an approach to quality developed in the for profit sector, but adapting it to fit sector needs, for example, with language and terminology (Moxham, 2009). There was no evidence from the practitioners about how an approach was being evaluated for effectiveness post implementation, which aligns with existing evidence (Al-Tabbaa et al., 2013). Findings therefore indicated that a key driver for the identification, adoption, and implementation of third sector quality initiatives was through peer led inter-organisational networks operating as communities of practice.

Whilst understanding the benefits for third sector organisations of implementing a quality orientation has been recognised by scholars as a means to better manage short term funding and improve strategic planning (Woodroof et al. 2021; Taylor & Taylor, 2014) this account, from the perspective of TSOs, adds to the much needed empirical evidence in this field. It shows that implementing quality is a pressing and challenging concern for the organisations at the front line of delivering important welfare services, aiming to support competitive advantage, deliver mission and improve services for people and communities (Macedo et al., 2016). The expectation of how quality will be evidenced to funders can be at variance with third sector expectations. Given the short-term approach to funding TSOs, creating a sustainable culture underpinned by quality may prove paradoxical (Taylor & Taylor, 2014).

Understanding quality within the third sector is timely as the organisations involved in this research were undergoing significant challenges in a changing health and social care landscape (Bach-Mortensen & Montgomery, 2019); demonstrating quality to their funders and regulators became even more critical to sustain services for the people and communities they support (Liao et al., 2014). The lack of support from infrastructure organisations was noted, as TSOs sought to manage their challenges of remaining sustainable inter-organisationally (Morris & Ogden, 2011). Ultimately, the policy landscape for TSOs needs to address the knowledge deficit challenges faced by these organisations to ensure they can deliver their vital services to society as effectively as possible.

## **5.1 Recommendations**

Future research in this field is needed in respect of the application of EFQM for the third sector to ensure it is relevant, its implementation is supported and that required sector specific adaptations are clear. Support for the development of inter-organisational networks is essential to fill knowledge gaps, and third sector infrastructure organisations could be well placed to fill

this role. This should include support to evaluate the effectiveness of quality initiatives for the TSOs. Ensuring future research encompasses the perspective of key stakeholders, including the regulator and funders is imperative. Learning and development programmes in respect of applying appropriate quality initiatives should be a priority for those funding and regulating the third sector.

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