

---

**STAKEHOLDER PARTICIPATION AND  
CORPORATE SOCIAL RESPONSIBILITY:  
A CRITICAL STUDY OF PROBLEM GAMBLING IN THE NEW  
SOUTH WALES REGISTERED CLUB SECTOR**

---

Wayne John Fallon  
LLB, University of Queensland  
Grad. Dip. Legal Prac., Queensland University of Technology  
M. Comm., University of Western Sydney

A thesis submitted to RMIT University, School of Management,  
in fulfilment of the requirements for the award of  
Doctor of Philosophy

July 2008

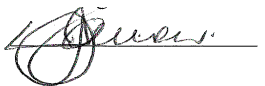
For my Father  
In memory of my Mother

---

I declare that:

- (a) except where due acknowledgement has been made, this work is mine alone;
- (b) the work has not been submitted previously, in whole or in part, to qualify for any other academic award;
- (c) the content of the thesis is the result of work which has been carried out since the official commencement date of the approved research program;
- (d) any editorial work, paid or unpaid, carried out by a third party is acknowledged;
- (e) ethics procedures and guidelines have been followed.

Signed:

A handwritten signature in black ink, appearing to be 'S. Jones', written over a horizontal line. A vertical line is positioned to the right of the signature.

Date: 14 July 2008

## ACKNOWLEDGEMENTS

---

I am indebted to my doctoral supervisor, Associate Professor Carlene Boucher, especially for the expertise and wisdom she brought to her work with me. I am particularly grateful for her unstinting support and inspiration.

I am also thankful to Professor Jan McMillen for her advice and guidance in the early stages of my research.

I gratefully acknowledge the encouragement and feedback of my colleagues in a Thesis Writing Circle at the University of Western Sydney.

## TABLE OF CONTENTS

---

	<i>Page</i>
Declaration .....	ii
Acknowledgements .....	iii
List of Figures .....	v
List of Tables .....	vi
Foreword .....	vii
Abstract .....	1
<b>Chapter 1 – Problem and Purpose .....</b>	<b>5</b>
<b>Chapter 2 – Poker Machine Gambling in New South Wales Clubs .....</b>	<b>21</b>
<b>Chapter 3 – A Critical Approach to CSR and Stakeholder Engagement .....</b>	<b>51</b>
<b>Chapter 4 – Discovering Stakeholder Perspectives and Stimulating Collaborative Interactions .....</b>	<b>92</b>
<b>Chapter 5 – Co-researchers’ Perspectives on Problem Gambling and Social Responsibility of Clubs .....</b>	<b>137</b>
<b>Chapter 6 –Engagement and Interactions among the Co-researchers .....</b>	<b>205</b>
<b>Chapter 7 – Analysis and Interpretations of the Co-researchers’ Perspectives, Engagement and Interactions.....</b>	<b>225</b>
<b>Chapter 8 – Reflections and Conclusion.....</b>	<b>289</b>
List of References.....	314
List of Appendices .....	340
Appendices .....	341

## LIST OF FIGURES

---

	<i>Page</i>
Chapter 1:	
1.1: Dynamic interaction of the components of the research (Adapting Checkland & Scholes, 1999) .....	16
Chapter 2:	
2.1: Impacts of problem gambling (Productivity Commission, 1999a, p. 7.3) .....	39
2.3: Continuum of gamblers and policy approach to responsible gambling (IPART, 2004, p.28) .....	40
Chapter 3:	
3.1: The Pyramid of Corporate Social Responsibility (Carroll, 1991, p.42).....	55
3.2: Interrelationship of CSR concepts (Carroll & Buchholtz, 2009, p.36) .....	58
3.3: Representation of relationships between the corporation and stakeholders (Donaldson & Preston, 1995, p. 69) .....	63
3.4: Representations of relationships between the focal organisation (FO) and stakeholders (Rowley, 1997, p. 891) .....	66
3.5: Representation of a complex open-system stakeholder network constellation (Adapted from Rowley, 1997) .....	69
3.6: Interrelationship of CSR concepts to include corporate accountability (Adapted from Carroll & Buchholtz, 2009, p. 36 and Utting, 2005a, p. 385) .....	76
Chapter 7:	
7.1: Structure of the study's stakeholder network showing clubs as a focal point in the network (Following Rowley, 1997) .....	260
7.2: Perceived position of non-participating stakeholders in the network (Following Rowley, 1997) .....	263
7.3: Structure of the stakeholder network showing club sector peak bodies as the focal organisation (Following Rowley, 1997) .....	265
7.4: Supposed structural position of a hypothetical interloper in the stakeholder network of gambling in clubs .....	272
7.5: Representation of the progressive nature of citizenship concepts (Following Carroll & Buchholtz 2006 and Zadek, 2004) .....	284

## LIST OF TABLES

---

	<i>Page</i>
Chapter 3:	
3.1: Root concepts of corporate citizenship (Waddock, 2004) .....	57
3.2: Types of stakeholders (Mitchell, et al, 1997, pp. 874-9) .....	65
3.3: The Five Stages of Organizational Learning about corporate responsibility (From Zadek, 2004, p. 127) .....	74
3.4: Types of activism/engagement with corporations on CSR issues (Utting, 2005a, p. 377-378) .....	77
3.5: Four Stages of Issues Maturity (Zadek, 2004, p. 128) .....	86
3.6: Models for an industry-wide approach to CSR (Draper, 2006, pp. 411-415).....	88
Chapter 4:	
4.1: Adaptation of the five-step <i>learning history</i> process to this study (Adapting Peers, 2002, p. 44) .....	111
4.2: Stakeholder perspectives and organisations represented in the study .....	114
4.3: Table of research evaluation criteria and attributes of the study (Adapting Silverman, 2006, p. 276) .....	133
4.4: Quality in action research and attributes of the study (Adapting Bradbury & Reason, 2001, p. 454) .....	134
4.5: Goals of ethical research and attributes of the study (Adapting Silverman, 2006, p. 323) .....	135
Chapter 5:	
5.1: Organisations represented in the study and their relevant stakeholder perspective.	139
Chapter 7:	
7.1: Co-researchers' gambling frames .....	235
7.2: Primary strategies for public health and selection of key actions (From Korn & Shaffer, 1999, pp. 310-311; 331-351) .....	237-238
7.3: Analysis of each stakeholder organisation's relationship attributes and stakeholder type (Following Mitchell et al, 1997) .....	256
7.4: Dimensions of stakeholder involvement and level of engagement (Pederson, 2006, p. 141) .....	266
7.5: Strategies for Interloper engagement with network stakeholders (Following Pederson, 2006, p. 141) .....	274
Chapter 8:	
8.1: Design of the inter-organisational " <i>stakeholder learning project</i> " (adapting Kleiner & Roth 1997; 2000; Peers, 2002) .....	297-298

## FOREWORD

---

### Breaking the habit

Lollypops and a hypnotist are being used by the Workers Parramatta club to wean poker machine players off smoking.

As clubs prepare themselves for the July 1 deadline when all smoking in pubs and clubs have to be outdoors, many are worried over the loss of revenue as pokie players are forced to break their gambling spell to smoke outside. Many of the diehard pokie players also are heavy smokers so most clubs are introducing ways for poker machines to be reserved while the players have a smoking fix.

But Workers Parramatta is going even further – helping their pokie players break one addiction while they continue with the gambling which provides the club with income. In revealing that the club was providing the smokers with Chuppachups (a popular lollypop) to wean them off cigarettes and access to psychologist/hypnotist Dr John Wylie, the club's secretary manager Colleen Anderson said poker machines were a vital part of the club.

But she emphasised that, like most clubs, Workers Parramatta were trying to “diversify” so they did not have to rely so much on the pokie dollar.

Di Bartok,  
Parramatta Advertiser  
20 June 2007, p. 5

## ABSTRACT

---

Within the context of “business-in-society”, this study highlights a dialectical dilemma for registered clubs in New South Wales, between the economic and the social perspectives of their gambling operations. The study adopts a critical orientation and uncovers significant tensions between stakeholders around problem gambling in the club sector. By drawing attention to State Government policy and administration of gambling, the research identifies resulting influences on the practice of social responsibility in clubs. The findings highlight the need for a public health approach to gambling administration in the State, and the conclusion contemplates the involvement of additional stakeholders, including other State or Federal government departments.

New South Wales (NSW) was the first Australian State to legalise poker machines (also known as electronic gaming machines, EGMs, pokies or slot machines). Legislation permitting their use in not-for-profit clubs took effect in 1956. Currently, of approximately 1,500 clubs in NSW, some 87 percent operate poker machines and, for all but the smallest 400 of these, the clubs’ primary source of revenue is from gambling. Such clubs are incorporated bodies, and their not-for-profit status is conferred by registration, when the clubs’ objectives are limited to community-focused, social-benefit purposes. A separate State Government gaming tax is levied on clubs’ revenue from poker machines, and the Community Development Support Expenditure Scheme allows a tax rebate for those qualifying clubs that make contributions for community purposes. Problem gambling has been identified as a social cost of gambling in clubs, although with the highly politicised nature of the club sector the significance of problem gambling in the community is subject to differing claims.

This research sought to uncover the circumstances in which stakeholder interaction around the various perspectives on problem gambling might lead to a socially responsible approach to the management of poker machine gambling in clubs. The study’s methodology adapted a *learning history* framework of participative action research, and recruited stakeholders to act as “co-researchers” in a transparent-research approach to the



exploration of the research question. Using qualitative research methods, the study employed a two-stage data collection process. In the first, the co-researchers were interviewed to determine their various perspectives on gambling and social responsibility. Their perspectives were then incorporated into a Discussion Document that was later distributed to each of the co-researchers as an impetus for multi-stakeholder discussion at a Problem Gambling Network Forum. This constituted the second data gathering stage. The study incorporated six different stakeholder perspectives around gambling in clubs.

A critical research approach was a unifying philosophical thread throughout the research, and the adoption of the criticalist perspective in the analytical phase of the study was taken to be especially honest to the study's broad critical project. While inductive thematic analysis was used to analyse the research data, the critical orientation of the analysis incorporated reflection about the inherent frames of the study itself. Thus, not only did the analysis draw attention to the previously unstated assumptions and expectations that were found to be inherent in the research question, but the analysis also engaged the research data to expose those assumptions and expectations. This approach was argued to contribute to the study's rigour by grounding the analysis and discussion more solidly in the data, and in the themes and findings that emanated from it.

The discussion addresses the three constituent elements of the research question: first, the co-researchers' perspectives on problem gambling; secondly, their engagement and interactions with each other and, finally, the social responsibility of clubs.

In the discussion of the first element of the research question, the co-researchers' perspectives on problem gambling were found to be complex, messy and sometimes even confounding. Nonetheless, a common thread through the data identified a preference among a majority of co-researchers for a public health approach to gambling policy and administration.

In relation to the second element, analysis of the co-researchers' engagement and interactions with each other indicated some apparently systemic impediments to

engagement across the stakeholder network. The club sector peak body organisations were found to have operated as a filter, or a gatekeeper, in the relationship between the relevant State Government department and the other stakeholders, including the clubs. The position of the government department in the network was therefore found to leave it vulnerable to the introduction of an interloper which had the potential, by engaging strategically with the other stakeholders, to assume an influential role in the network dynamic. Drawing on the co-researchers' established perspectives on problem gambling, an interloper's access to the public health approach to gambling policy and administration was taken to offer a possible impetus for such a move.

In discussing the third element of the research question, the social responsibility of clubs was found to be influenced by the government's policy approach to problem gambling. The discussion situates this finding in a wider context of the policy influences on the contemporary practice of corporate responsibility in Australia. The capacity for change in the social responsibility for problem gambling is considered in the sector-wide context, and the intervention of an interloper was found to offer the possibility of a catalyst for change.

The methodological contribution of the study is its proposal for a critically-inspired framework for multi-stakeholder network involvement in exploring the social dimensions of business. This methodology sets up the potential, first, to identify the characteristics of the multi-stakeholder network structure. Secondly, on the basis of those characteristics, it is claimed that the methodology can be adopted to uncover the type of opportunities for alternative stakeholder engagement that can have the potential to contribute to an unsettling of the network's hegemonic arrangements.

The research also claims to make a contribution to the development of gambling policy in New South Wales. Analysis of the stakeholder network drew attention to the potential for the intervention of an interloper. In view of the preference shown for a public health approach to gambling policy, access to that approach would seem to provide the

interloper with a rationale for its intervention into the stakeholder network. On this basis, the State and Federal health department would represent possible interlopers.

## CHAPTER 1

### PROBLEM AND PURPOSE

	<i>Page</i>
1.1 Chapter introduction .....	5
1.2 Background to the research .....	6
1.3 Research problem .....	10
1.4 Justification for the research .....	11
1.5 Research frame and methodology .....	12
1.6 Framing the thesis .....	15
1.7 Definitions and key assumptions .....	18
1.8 Chapter conclusion .....	20

#### **1.1 Chapter introduction**

This chapter introduces the thesis. The chapter begins by laying out the background of the research, and this is followed by a presentation of the research question.

I have conceived the research as the dynamic interaction of three components; and the chapter explains these components in the context of the justification for the research and the research methodology. The chapter also has an outline of the thesis, and refers to some definitions and key assumptions in the thesis.

To follow this chapter, Chapters 2 and 3 discuss literature: Chapter 2 explains poker machine gambling in clubs, and Chapter 3 focuses on corporate social responsibility and stakeholder engagement.

## **1.2 Background to the research**

While corporate social responsibility (CSR) can trace its source as far back as the 1950s (Lockett, Moon & Visser, 2006; Banerjee, 2007), tensions still exist for corporations in balancing their financial imperatives, on the one hand, with notions of their social obligations, on the other (Hosmer, 2006).

From a critical perspective, CSR is often associated with business strategies and practices that seem to owe as much, if not more, allegiance to enhanced business performance, than to attitudes of genuine social concern (Utting, 2002; Banerjee, 2007). Such literature draws attention to corporate distractions such as the “win-win” approach. This presents the view that corporate largesse for socially oriented activities offers as much a “win” for groups in society as for the corporation itself, through improved business. Other expressions that encompass this concept include “cause-related marketing” (Bronn & Vrioni, 2001), the “enlightened self-interest” approach (Moir, 2001) and “doing well by doing good” (Waddock & Smith, 2000). Whatever term is ascribed to it, there is the recognition that, through such CSR practices, corporate expectations would normally include enhanced reputation, access to new markets and stronger staff loyalty. Thus, on this construction, in order to contemplate “socially responsible” corporate activity, there is a need to focus on a duality of purpose: activity that provides a “win” for the corporation as well as for the community. But is there really a problem if the corporation derives a benefit for itself by extending its philanthropy and generosity to those in the community who are in need? Is there really any harm in that?

With the need for this approach to concentrate on corporate essentials, however, such CSR practice will appear ad-hoc. In this way, CSR would only be practised when there is a benefit to be derived by the corporation; and, without that, the corporation would normally be unmoved by any diversion raised by a need in the community. So, is CSR even possible if there is no corporate interest to be served by the particular community need? Similarly, with competing community calls on its benevolence, would not corporations simply be moved to prefer those community projects that provide them with

the greatest return on their benevolent “investment”? This calls attention to the ad-hoc nature of CSR and its instrumentalist use to support corporate objectives and strategies (Banerjee, 2007). The position of prospective community recipients of CSR would seem to be especially precarious, given notions of corporate dominance in the dynamic between corporations and the community recipients (Utting, 2002).

Still, despite such dominance, but in the face of outside pressures from social and environmental agendas, corporations can sometimes be inclined to assume a socially responsible stance that might not be entirely of their choosing. However, in such cases, literature suggests that corporations do not simply react or respond to these outside pressures. Instead, trapped in this way, corporations can often be expected to “influence, control and lead” those social and environmental pressures to the corporations’ own advantage (Utting, 2005a, p. 375). In this light, it is difficult to imagine how corporations might be called to account for the veracity of their CSR-styled activities. Yet, while CSR was “once a do-gooding sideshow, [it] is now seen as mainstream” (Economist, 19 January 2008, p. 3), and the practice of social responsibility is taken to be a significant element of the contemporary corporate landscape.

A contemporary view acknowledges that corporate stakeholders may acquire the capacity to influence a corporation’s attitudes to its social responsibility (Utting, 2002). In such circumstances, stakeholders may find themselves with the ability to so influence the corporation’s socially responsible activities that the corporation might be considered *accountable* to those stakeholders, through the stakeholders’ engagement with the corporation and with each other.

Many of the confounding notions and complexities associated with contemporary CSR practice can be found in the gambling industries. In New South Wales, the State government has adopted a policy approach of “responsible gambling”, and attention has been called to the social responsibility of the State’s 1,400 registered clubs, many of which derive significant income from poker machines (Independent Pricing & Regulatory Tribunal, 2007).

Falling within the general ambit of the tourism and hospitality industry, gambling has been recognised as a significant business in Australia, and Australians have been reported to be among the heaviest gamblers in the world (Productivity Commission, 1999). Depending on the source of information (Delfabbro, 2008), problem gamblers represent approximately two per cent of the adult Australian population. They also account for about one-third of the gambling industries' market (Productivity Commission, 1999). Moreover, for each problem gambler, at least 10 other people, on average, are affected to varying degrees. The costs of problem gambling include financial and emotional impacts not only on the gamblers, but also on their family, friends, work colleagues and others in the general community (Independent Pricing & Regulatory Tribunal, 2004). Even though the gambling sector has been subject to increasing scrutiny, research and regulation, attention is continually drawn to the adequacy (or inadequacy) of existing arrangements for dealing with problem gamblers (Productivity Commission, 1999; IPART, 2004; ACNielsen, 2007; Delfabbro, 2008).

New South Wales was the first Australian state to legalise poker machines when legislation permitting their use in not-for-profit clubs took effect in 1956. From the 1970s, Government policy tended to focus on "the potential for gambling to stimulate general economic development" (McMillen, 1996, p. 10) and, by the latter part of the 1990s, the full extent of the social costs of gambling, and poker machine gambling in particular, showed the need for urgent gambling management reform. Since then, a series of government reports and research studies have given some prominence to the social costs of gambling (Delfabbro, 2008). Nonetheless, poker machine gambling in New South Wales clubs maintains the hallmarks of a highly politicised sector, heavily influenced by a strong lobby of market-driven commercial business interests. Complicated by the fact that the not-for-profit status of clubs often does no more than mask the pointedly commercial orientation of many clubs (Hing, 2000), problem gambling continues to be an area of research focus (GRA, 2007; COAG, 2008; 2008a) especially in the clubs sector (Delfabbro, 2008).

The philosophy towards “responsible gambling” in New South Wales was driven at least in part by the strident lobbying of the registered clubs sector, in response to calls for a more socially responsible approach to gambling operations. In 2004, the Independent Pricing and Regulatory Tribunal released a report, *Gambling: Promoting a Culture of Responsibility* (IPART, 2004). This report, in its application of “responsible gambling” gave emphasis to harm minimisation strategies, which included focus on the gaming capacity of poker machines and the physical attributes of the environments in which they were allowed to operate.

Despite such developments, other perspectives on gambling from problem gambling counselling and welfare services, for example, operate to weigh in some non-commercial perspectives against the business focus of the club sector. These other perspectives serve to underline the dilemma for clubs, in acknowledging their “social” responsibilities to problem gamblers as customers and community members, as well as their “economic” responsibilities to the clubs’ members and other community beneficiaries of club contributions (Hing, 2000).

Since the 1999 Productivity Commission Report, the gambling industries have been the subject of significant research, in a broad range of areas such as issues relating to individuals’ proclivities for gambling and addictive behaviours, the prevalence of gambling and problem gambling (in various Australian jurisdictions) and the influence of physical environment and venue attributes in contributing to the propensity to engage in gambling (Delfabbro, 2008). Little research has been conducted into the social responsibility of gambling venues for the negative social impacts brought about by problem gambling. At the same time, in discussions of social responsibility, much is often made of the contributions that clubs make to their local communities, by focussing on the social benefits of poker machines (IPART, 2007).



### **1.3 Research problem**

Poker machine gambling in the club sector has for some time been the subject of regulatory and operational review; and the thesis Foreword (Bartok, 2007) can be taken to exemplify something of the prevailing commercial and societal turbulence in the sector. What's more, the media is understood to have been used in ways that seem to contribute to the turbulence. For example, one recent commentator has criticised poker machines in clubs as "a curse we can well do without" (Holmes a Court, 2007). Another view in the media, offered by a peak body organisation for the club sector (Clubs NSW 2007), has asserted that the ACNielsen (2007) State-wide prevalence study should be interpreted to indicate that the level of problem gambling had fallen. This construction of the study can be questioned in light of its description by the appropriate government Minister when the study was introduced into Parliament (NSW Legislative Assembly Hansard, 2007).

Such use of the media calls attention to the capacity of some stakeholders to give voice to their perspectives, and to the apparent difficulties among others to do the same. In addition, such use of the media also underscores the possibility of stakeholders projecting conflicting constructions of the same circumstances or events surrounding poker machines.

Against this background, the research question was articulated like this:

In what circumstances can structured stakeholder interaction around the various perspectives on the issue of problem gambling in NSW registered clubs offer an environment in which clubs (or any of the other stakeholders) might act or engage differently, so as to lead to a socially responsible approach to the management of poker machine gambling in clubs?

In this way, the research recognised the possibility of different perspectives on problem gambling, but proposed to investigate how stakeholder interaction and engagement might contribute to clubs' practise of social responsibility.

## **1.4 Justification for the research**

The research can be justified from three viewpoints:

1. The study explores a proposition that appears to offer a mechanism for CSR practice that does more than unthinkingly revert to an organisation's "win-win" strategies in contemplating its social responsibilities. With the scope to contemplate multiple perspectives on the issue of problem gambling, and to do this in the context of engagement and interaction among stakeholders, the research enables an investigation of the influence that a selection of stakeholders might bring to an organisation's practice of CSR. The approach is claimed to offer more than the corporatist strategic approach to stakeholder involvement in the firm. Instead, the approach here contemplates the possibility that stakeholder perspectives might be brought to bear on the organisation, to further the stakeholder's interests, independently (or perhaps, in spite) of those of the organisation.
2. The significance of problem gambling as a social issue in the community – as well as the lack of clarity about its prevalence (Delfabbro, 2008) – warrants the research efforts. Not only is it pertinent, in the research, to seek mechanisms that might lead to a possible reduction in the level of problem gambling in clubs, but it would also be useful to contemplate research approaches that do more than blithely replicate previous research approaches. After all, despite those earlier studies, existing arrangements for dealing with problem gambling are still reported to be inadequate (IPART, 2004; Delfabbro, 2008).
3. It is well recorded that registered clubs make a significant and valuable contribution to their local communities and to New South Wales. Clubs "also contribute to the attainment of a number of priorities set out in the NSW Government's State Plan" (IPART, 2007, p. 6). Because of the reliance that many clubs place on poker machine income, however, any considerable change to

the management of poker machines in clubs could be expected to impact clubs and their viability. In that the research question leaves scope for a very broad range of research outcomes, the study therefore has the capacity to explore aspects of clubs' business management in ways that can contemplate a continuation of the phenomenon of the registered club in the community. Thus, this justification for the research recognises something of an egalitarian attitude to the study's search for "a socially responsible approach to the management of poker machine gambling". In seeking a socially responsible approach, the research can contemplate more than simply abolishing poker machine gambling in clubs.

### **1.5 Research frame and methodology**

The research takes a critical approach. There are two reasons for this. First, the critical frame allows the study access to others' perspectives, by looking beyond the dominant corporatist view. Emphatically, it does this in a way that is "unembarrassed by the label 'political' and unafraid to consummate a relationship with emancipatory consciousness" (Kincheloe & McLaren, 2005, p. 305). This approach is claimed to accord with the thrust of the research as proposed by the research question.

Secondly, the critical frame gives the study capacity to move beyond simply increasing knowledge as the commanding outcome of the research. In this way, the study can accommodate:

... a broadly constructivist ontology which asserts that the world ... is not "out there", ready to be mapped by skilful cartographers but, rather, that in the very process of drawing such map, this world is itself shaped" (Grey & Willmott, 2005, p. 1)

In these ways, the critical approach is claimed to provide the research with scope to make a methodological contribution to the field of gambling research. Funding for research into gambling has often been drawn from governments or bodies affiliated with government perspectives (Gambling Research Australia, 2008). Thus, as a recipient of

gambling revenues and as a regulatory supporter of economic development through gambling – but also as a regulator of gambling – government views can be understood to at least allow access to an “economic development” perspective on gambling. This can be taken to have influenced the attributes of previous research. To the contrary, this study’s critical stance can draw attention to how “mainstream research practices are generally, although most often unwittingly, implicated in the reproduction of systems” (Kincheloe & McLaren, 2005, p. 304).

More specifically, in the case of problem gamblers, the critical approach “supports silenced or marginalised voices”, by offering “an orientation towards investigating exploitation, repression, unfairness, unsymmetrical power relations ... distorted communication and false consciousness” (Alvesson & Deetz, 2005, p. 62, 63).

Furthermore, the methodological framework and the research methods used to gather data are claimed to support the study’s critical frame.

- *Methodology and methods*

It was appropriate to locate the research within the wide-ranging literature on action research, in view of the attention given in the research question to stakeholder perspectives and the interaction and engagement among them. Action research seemed particularly apt because it allows focus on informing change, often from a value position, and because it provided the study with a “participatory process concerned with developing practical knowing in the pursuit of worthwhile human purposes” (Reason & Bradbury, 2008, p. 4). But action research can claim a vast array of different branches and traditions. However, with the study’s attention on understanding learning and change resulting from engagement among stakeholders, the research can make connections with those branches or traditions that involve action learning, as well as co-operative enquiry and participatory approaches.

With that methodological frame, in designing suitable research strategies and in establishing appropriate methods for gathering data, the study adapted an action research practice known as *learning history* (Kleiner & Roth, 1997). This is a collaborative group-learning process that draws on the disparate perspectives of the learning group. In its early phases, the *learning history* approach documents a “jointly-told tale” of the disparate perspectives, and the document so constructed is then used to focus the group on reflection and discussion, with the intention of producing a learning outcome (Roth & Bradbury, 2008). The *learning history* process has its origins in organisational learning, and past applications of the practice have been in *intra*-organisational learning.

For this study, however, the *learning history* approach was adapted to an *inter*-organisational context. Thus, it was stakeholders around the issue of social responsibility and problem gambling in clubs that were to take the role of research participants, whereas in earlier formulations of *learning history*, the participants were mostly drawn from the organisation where the learning was to surface. This variation from the original contemplation required some redesign of the *learning history* process. Compared with *intra*-organisational participants, the stakeholders in this research would not have had the benefit of a shared pull towards organisational commitment and loyalty. I anticipated that the participants might therefore have been less motivated towards group learning outcomes.

To counter this, the research design included two additional strategies. The first of these was to introduce the notion of “co-researchers”, drawing on co-operative enquiry processes that were developed as research “*with* people rather than *on* people” (Heron & Reason, 2001, p.179). The second of the strategies specifically included in this study involved the notion of “transparent research” (Milofsky, 2000). This contemplated that the participant co-researchers would be invited to take an active role in determining and implementing the research activities.

On this basis, some 13 co-researchers were recruited from six different stakeholder perspectives around the social responsibility of clubs for problem gambling. Data for the

study was gathered from interviews with each of these, and from their engagements and interactions at an event titled by one of the co-researchers as *The Problem Gambling Network Forum*.

Thus, while the study employed an adaptation of the *learning history* process as its methodological approach, it maintained a primary focus on the research question; namely, an investigation into how stakeholder interaction could contribute to the social responsibility of clubs for problem gambling. Nonetheless, the research was able to provide practical insights into the use of the *learning history* approach in inter-organisational settings.

### **1.6 Framing the thesis**

Drawing on Checkland and Scholes (1999), I conceived the research as the dynamic interaction between the following three components:

1. The field of investigation, which I took to be poker machine gambling in New South Wales clubs;
2. The theoretical framework of the study, which I understood to be a critical stakeholder approach to the practice of CSR; and
3. The research methodology and methods, which I explained as an adaptation of the *learning history* approach to action research.

The nature of this dynamic interaction is presented in Figure 1.1

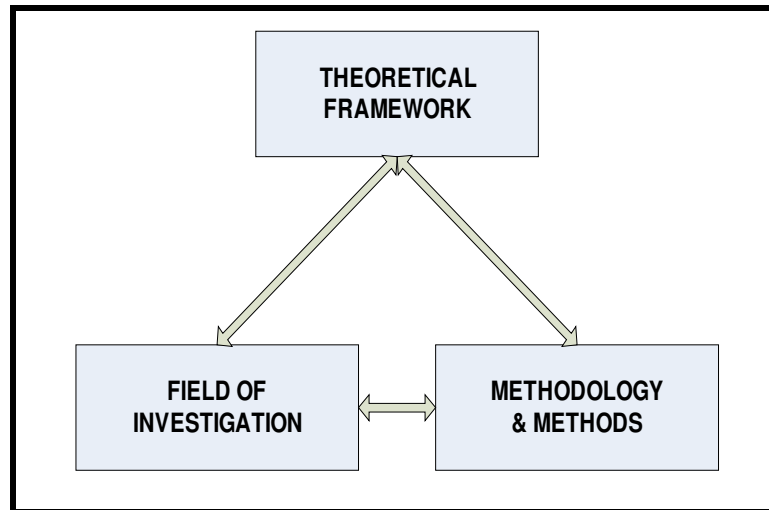


Figure 1.1: Dynamic interaction of the components of the research  
(Adapting Checkland & Scholes, 1999)

Critical theory was a unifying philosophy that bound these three components into the conceptual dynamic for the research. The critical approach was not only the foundational frame in which the research was conceived, but it was also a driving influence in the research design, the analysis and in the articulation of the research conclusions, as well as – importantly, for criticalist research – my reflections about it.

- Thesis structure

With this formulation of the research, the thesis is structured into eight chapters, thus:

#### Chapter 1 – Problem and Purpose

This serves as the introduction to the study and the thesis. The chapter provides the background to and justification for the research in the context of the research question. There is a discussion of the methodology and research methods and, importantly, the critical orientation of the study.

#### Chapter 2 – Poker Machine Gambling in New South Wales Clubs

This is the first of two chapters that discuss literature. The purpose of this chapter is to lay out the salient features and dimensions of gambling in New South Wales, in order to provide a foundational understanding of the field of investigation for

the research. The discussion gives emphasis to poker machine gambling in clubs, and to problem gambling.

### Chapter 3 – A Critical Approach to CSR and Stakeholder Engagement

This chapter, the second of the two that discuss literature, explains the theoretical framework for the research. The discussion takes a critical stance in contemplating stakeholder engagements. This is claimed to provide access to a theoretical approach that enables stakeholders to be seen, not as passive participants subsumed by corporatist ideology, but as participants in an egalitarian community-network structure.

### Chapter 4 – Discovering Stakeholder Perspectives and Stimulating Collaborative Interactions

This chapter explains the methodological framework of the study and the methods used to gather the data. The discussion also describes the approaches used to analyse the data, and addresses matters of research rigour and quality. This is followed by an explanation of ethical issues in the research.

### Chapter 5 – Co-researchers' Perspectives on Problem Gambling and Social Responsibility of Clubs

This is the first of two chapters that document the research data. It records each of the co-researchers' stakeholder perspectives on problem gambling, by comprehensively drawing on the actual words of the co-researchers.

### Chapter 6 – Interactions and Engagement among the Co-researchers

This chapter is the second of two that document the research data. It focuses on a multi-stakeholder interactive session, which one co-researcher referred to as *The Problem Gambling Network Forum*. In keeping with the strategy of encouraging co-researchers to take an active role in determining and implementing the research activities, the research adopted this title as coined by the co-researcher.



## Chapter 7 – Analysis and Interpretation of the Co-researchers’ Perspectives, Engagement and Interactions

This chapter analyses the research data, in the overarching contextual frame of the research question.

## Chapter 8 – Reflections and Conclusion

This chapter concludes the thesis. It reflects on the contributions of the research and presents the study’s response to the research question. It also discusses the limitations of the research and the implications for future research. The chapter concludes with a philosophical reflection about a vision for CSR practice and the place of corporations in society.

Each chapter is divided into sections, and the table of contents at the commencement of each chapter is intended to alert the reader to the chapter’s contents and structure. In addition, meta-text is used to guide the reader through the discussion, and the introductory and concluding sections in each chapter aim to support this.

### **1.7 Definitions and key assumptions**

A number of definitional statements can be made in this introduction to the thesis:

1. In the Australian hospitality and tourism industry, a distinction is drawn between “hotels” that primarily offer accommodation facilities, and those that could more practically be referred to as on-licensed bars, taverns or, in the Australian vernacular, “pubs” (Van Der Wagen & Goonetilleke, 2007). While “hotel” has multiple meanings, its meanings are not necessarily interchangeable: an accommodation hotel would not be referred to as a pub, but a pub may well be referred to as a hotel. In Australia, pubs may operate poker machines, and references to these establishments in the thesis are by the term “pub”, rather than “hotel”. This practice is adopted in order to distinguish the meaning of “hotel”.

2. Poker machines are variously referred to as “electronic gaming machines” (or shortened to “gaming machines” or “EGMs”), “pokies” and, in some jurisdictions, “slots” or “slot machines”. It can be seen that these alternative descriptions of poker machines avoid an association with “gambling”; preferring instead to adopt what is taken to be a more benign description “gaming”. Korn, Gibbins and Azmier (2003) have drawn attention to a sub-text inherent in the use of the more benign expression. This suggestion is based upon an assertion that “gambling” would generally be expected to carry a negative association with the machine, while “gaming” carries an implication of a leisure activity. While one view of poker machines would easily draw attention to the leisure attribute, this should not be taken to mask an undeniable fact that poker machines constitute “gambling” in the sense that an amount is staked to be at risk. Also, as pointed out in Section 2.3, poker machines in New South Wales are required to provide an average return of 85 percent of the cumulative amount staked; thus drawing attention to the fact that the stake is at risk. In these circumstances, attributing “gaming” to this activity is taken to be disingenuous. For this reason, and in keeping with the criticalist perspective of the research, the term poker machine *gambling* is adopted, in preference to poker machine *gaming*; and “poker machine” is used in preference to other more benign descriptions such as “EGM”.
3. Throughout the thesis, the word “club” is used to refer to the type of “registered club” discussed in Section 2.6. Such organisations are those which are incorporated as a company limited by guarantee under the *Corporations Code* and registered under the *Registered Clubs Act*. Such clubs may operate poker machines.
4. As discussed in Section 3.3.1, “corporate social responsibility” (abbreviated to CSR) has been variously described and defined in the literature. In the thesis, unless ascribed a more specific or particular meaning, “CSR” is used in the sense of “CSR discourse” (Matten & Crane, 2005, p. 167) to refer to broad notions of a corporation’s responsibility for or performance in its social involvement.

## **1.8 Chapter conclusion**

This chapter has served as an introduction to the thesis. It provides the background to and justification for the research, in the context of the research question. The discussion frames the research by explaining its critical orientation, and then explains the methodology and research methods adopted in the study. There is also an outline of the thesis and explanation of key contextual definitions.

The following two chapters will now discuss literature. First, Chapter 2 explains poker machine gambling in clubs, and Chapter 3 then focuses on CSR and stakeholder engagement.

## CHAPTER 2

### **POKER MACHINE GAMBLING IN NEW SOUTH WALES CLUBS**

	<i>Page</i>
2.1 Chapter introduction .....	21
2.2 Australians and gambling .....	22
2.3 Types of gambling in the State .....	26
2.4 Stakeholders in poker machine gambling .....	28
2.5 Poker machine gambling in clubs .....	30
2.6 Registered clubs in NSW .....	33
2.6.1 Not-for-profit status .....	34
2.6.2 Organisational structure .....	36
2.6.3 Commercial orientation of clubs .....	37
2.7 Problem gambling in NSW clubs .....	38
2.8 Gambling administration and management policy .....	41
2.9 Social responsibility and gambling .....	43
2.10 Political context of poker machine gambling in New South Wales.....	44
2.10.1 Federal government and gambling reform .....	47
2.10.2 Federal government and the public health perspective .....	48
2.11 Chapter conclusion .....	49

#### **2.1 Chapter introduction**

This chapter lays out the salient characteristics and dimensions of gambling in New South Wales, to provide a foundational understanding of the field of investigation in which the research was conducted. With particular focus on poker machine gambling in the registered club sector, the chapter articulates an Australian context for gambling and introduces the types of gambling activities authorised in the State. Registered clubs are rooted in the Australian cultural landscape, and the chapter discusses their organisational

structure and not-for-profit status. Despite this, clubs have developed a commercial orientation, and this offers access to an economic dimension of gambling in clubs.

It was not until comparatively recently that “problem gambling” began to be given attention for being part of the social cost of gambling. Accordingly, addressing problem gambling has been a high-profile industry and political issue since the 1990s especially. More recently, in the club sector, “responsible gambling” has been a common focus for dealing with some of the social issues presented by problem gambling. This chapter also presents a political context for these developments.

## **2.2 Australians and gambling**

Gambling has often been characterised as a leisure or entertainment activity (Productivity Commission, 1999; Australian Gaming Council, 2002; IPART, 2004; IPART, 2008). Yet there is some opposition to gambling in Australia and, while some of this opposition is on ideological grounds, the full extent – and perhaps the nature – of the opposition is not always apparent. At the same time, gambling is a source of economic benefits for the myriad of gambling service providers as well as the State (through taxes). It provides employment and, by various means, gambling contributes to local communities and to the Australian economy. But it also has social costs and impacts (IPART, 2008).

Nonetheless, Australians are among the heaviest gamblers in the world: it has been suggested that they lose around twice as much on legal forms of gambling as North Americans or Europeans, for instance (Productivity Commission, 1999). Since the late 1990s, it has been reported that around 80 per cent of adult Australians gamble at least once a year, and 40 per cent have been referred to as regular gamblers (Tasmanian Gaming Commission, 1999; Delfabbro, 2008).

What’s more, there are some notable global dimensions to Australia’s predilection for gambling, as reported by the Productivity Commission (1999, p. 7):

“The ‘totalisator’ used in racing around the world was invented here. Australia also has a longer history of legal gaming machines than most countries and leads the world in their technology... the first government regulated internet casino site in the OECD was established in the Northern Territory [of Australia].”

The international notoriety of Australia’s poker machines was noted by Sorrill (1999, p. 20):

“The Australian market is based on ‘pokie’ machines, the famed multi-line multipliers that have come to be known all over the world as Australian machines.”

Even at the time of the first European colonisers and transported convicts in Australia, gamblers could be counted along the full range of the socio-economic spectrum and, with the subsequent influx of Chinese to the Australian goldfields, gambling dens added another cultural dimension (O’Hara, 1988). Since those earliest times, horse racing was a popular form of gambling in Australia, which since 1861 has been marked by The Melbourne Cup (Inglis, 1985). The day of its running is a public holiday in Melbourne, but in other parts of the country it remains “the race that stops the nation”. It is the subject of poems, movies, icons, legends, an afternoon of nationwide hospitality and the ubiquitous workplace “sweep” (betting on horses selected by random ballot). Even non-gamblers may be inclined to participate in the sweeps, although perhaps not so much for their relevance as a gambling activity as an opportunity for workplace camaraderie.

The typically Australian game of two-up was first legalised to be played only on the Anzac Day public holiday (Inglis, 1985). The day commemorates the battle for the Gallipoli Peninsula fought by the allied Australian and New Zealand Army Corp against the local Turkish troops, during the First World War. Taking place shortly after Australia’s independence from British rule, the battle was said to recognise the “birth of the Australian nation”. As part of the commemorations on this national public holiday, two-up was legalized primarily to be enjoyed by returned servicemen.

In a more contemporary context, something of the relationship Australians have with gambling can be exemplified by the phenomenon of the workplace football tipping

competition (Price, 2005). This is perhaps not only about winning a prize pool based on the performance of individual football teams. It is possibly as much about organisational cohesion and workers pitting their convictions for “their” teams against the form of the teams’ opponents. In the workplace competition, kudos can be won as much from “backing your team” against the odds, as it is from winning the pooled fund made up of each player’s competition entrance fee. Beyond the organisational context, too, football tipping is played at community level when a competition conducted exclusively for representatives of local businesses is monitored in the local community press. As in the case of the workplace competition, winning the prize appears of lesser significance. Instead, the competition provides local businesses with the opportunity to be seen to participate in community activities and to support the football league and, at the same time, to market their business products in ways that communicate with target consumers.

Accordingly, part of the place gambling occupies in Australian consciousness might be attributed to socio-cultural factors (Inglis, 1985). In some contexts therefore, for Australians, gambling might not only be about staking money on the chance of winning a prize. In fact, from this perspective, gambling might be understood to include a framework from which Australians are able to explore aspects of a social and cultural identity. This construction is claimed not simply to explain *why* Australians are such prolific gamblers but, instead, it shows that Australians exhibit an *attitude to*, and relationship with, gambling which is influenced by socio-cultural factors. On this construction, some types of gambling might be taken to be more innocuous and less risky and therefore more acceptable than others, at least because of their social and cultural influences, and this could suggest some differences between “hard” and “soft” forms of gambling. In this vein, the literature draws attention to different dimensions of gambling. This refers to characteristics such as the *continuity* of the activity (the interval between the initial stake and the outcome) and the gambler’s *involvement* in the activity (distinguishing relatively passive activities like lotteries and poker machines from forms of gambling that are undertaken with more attention and concentration such as sports and racing betting) (Delfabbro, 2008).

This is not to say that gambling has always received unbridled acceptance in Australia. The term ‘wowsers’ was coined in the late 1800s to refer to those who attempted to impose puritanical prohibitions against alcohol and gambling on the remainder of the community (Inglis, 1985). While that view held some sway in influencing anti-gambling legislation at the end of the 19<sup>th</sup> century, gambling was widespread by the beginning of the 1900s (O’Hara, 1988). While this lends further credence to a well-entrenched socio-cultural dimension to gambling in Australia, it also indicates an anti-gambling thread through Australia’s social fabric.

Whether or not this socially and culturally influenced *attitude* to gambling is a dominating force in the collective discourse about gambling in Australia, it is perhaps enough that there is a discourse which includes such social and cultural influences. This discourse can be expected to so permeate Australian society as to be apparent not only among gamblers but also among the gambling industries and its stakeholders, possibly even including government. It should therefore be expected that, according to the Productivity Commission (1999, p.13):

“Some people representing the [gambling] industries have argued that there is little that *is* special about [the gambling industries]: they are just like other entertainment businesses competing for the consumer’s dollar”.

The significant body of contemporary research on gambling in Australia gives lesser attention to the possibility of Australian’s varying attitudes to, and relationships with, different forms of gambling. As an indication of this, the Productivity Commission’s *National Gambling Survey*, while allowing for responses about participants who engaged in different forms of gambling, seemed to assume that the attitudes of all participants to the different forms would be the same or similar. For example, the first question on the survey labels a number of activities – poker machines, betting, scratchies, lotteries, casino games, keno and bingo – as “gambling” (Productivity Commission, 1999, p. F.33ff). While it is undeniable that the listed activities do in fact constitute gambling, in retrospect and perhaps with echoes of the wowsers’ blanket approach to the prohibition of all forms



of gambling, the Survey's question can be understood to attribute to all of the activities listed a similar connotation of roughly equal significance. That might not have been the case for respondents, though, given Australian's socially and culturally influenced discourse about gambling. The Survey perhaps did not allow respondents to explore varying attitudes to the different forms of gambling covered. Specifically, for example, respondents may have held different attitudes to the perceived "softer" games of scratchies and bingo, when compared with "harder" forms of gambling like poker machines and casino games.

While the *National Gambling Survey* was essentially intended to function as a "prevalence study", it would perhaps have been as telling for the Survey to contemplate respondents' attitudes to the various forms of gambling. After all, if different forms of gambling do not wear the same social costs, any differences in respondents' attitudes to various forms could be used to explain moves to introduce strident regulatory and policy frameworks for some of the more problematic gambling activities. Nonetheless, the importance of prevalence studies to New South Wales' gambling research agenda has been foreshadowed by the State's governmental body which has responsibility for gambling policy, administration and management. Following 2005 recommendations, the Office of Liquor, Gaming and Racing (previously the Department of Gaming and Racing) controls a significant part of gambling research in the State (DGR, 2005).

A further indication that some of the cultural dimensions of gambling have been overlooked by the contemporary research agenda is perhaps to be taken from the "general scarcity of data on problem gambling in ethnic communities, and virtually no detailed information about gambling in ACT [Australian Capital Territory] cultural and indigenous communities" (Australian Institute for Gambling Research, 2001, p. 40).

### **2.3 Types of gambling in the State**

Gambling has been defined as "staking money on uncertain events driven by chance" (Productivity Commission, 1999, p. 6). The NSW Independent Pricing and Regulatory

Tribunal, in its 1998 inquiry (IPART, 1998), identified two broad categories of gambling in New South Wales.

The first, known as *wagering*, is constituted by betting on the outcome of a race (usually horse or greyhound) or other national or international sporting event. Bets are placed with either on-course or off-course totalisators (such as the TAB) or with bookmakers, although sports bets can be made at betting agencies, by telephone or over the internet. Gamblers usually determine the amounts they will wager on the outcomes, and winnings are determined, in the case of totalisators, by reference to the total amount wagered and, in the case of bookmakers, the amount of the payout is based on the fixed odds given at the time the bet was placed (Productivity Commission, 1999).

The second broad category of gambling is referred to as *gaming*. This encompasses playing games of chance for money, and generally includes any form of non-wagering activities (Productivity Commission, 1999; IPART, 1998; IPART 2004). Such gaming takes four common forms:

- **Lotteries:** This includes lotto games (such as Oz-Lotto and Powerball) and football pools which are played by choosing numbers (or opting to have the numbers randomly selected electronically) in anticipation that these numbers will match or at least be included in a later arrangement of winning numbers (which may, for example, be determined randomly or by reference to the outcome of soccer matches). This form of gambling also includes lottery caskets, where tickets of different values are sold in lotteries with a vast range of prizes, and instant scratch lotteries, where removable panels are uncovered from the ‘scratchies’ to reveal pre-determined numbers and symbols which have the chance of appearing in prize-winning combinations. These forms of lotteries are widely available at betting agencies and newsagents, but they may not be sold to anyone aged less than 18 years.

- Keno: This is an electronic form of bingo where a player's card of numbers can win by matching the numbers selected from a randomised draw. This form of gambling is typically played in registered clubs, pubs and the State's only casino.
- Table games such as roulette, blackjack, baccarat and craps: The casino offers a range of such table games, as well as a money wheel. Some games are based entirely on luck, while others require some skill. The casino's percentage return varies according to the nature of the game.
- "Gaming" machines (variously referred to as electronic gaming machines, EGMs, poker machines, pokies or, in some jurisdictions, slot machines): poker machines need to be approved by the Casino Liquor and Gaming Control Authority Administration Board. While there are four types of "gaming" machines in use, these generally fall into two broader categories – those which require the gambler to make strategic decisions (such as deciding whether to hold or to receive further cards) and those that do not. Regulations designed to minimise the negative social impacts caused by poker machine use are discussed in paragraph 2.9. Notably, poker machines operating in New South Wales must each provide an average return to gamblers of 85 per cent of the cumulative amount staked.

Some forms of gambling, such as lotteries and keno, feature a delayed time-lapse before the outcome can be known. However, other forms of gambling, such as poker machines, can be characterised by faster plays of shorter duration, and these have the capacity for more impulsive and non-reflective gambling activity. This may give rise to the perception of hard and soft forms of gambling, depending on the continuity of the activity and the nature of the risk (Delfabbro, 2008).

## **2.4 Stakeholders in poker machine gambling**

In its 2004 review into New South Wales' gambling harm minimisation measures, the Independent Pricing and Regulatory Tribunal (IPART) identified five broad categories of stakeholders:

- **Government:** According to IPART, the focus for Government should be on the development of a regulatory framework for responsible gambling, including compliance and development of incentives to foster industry best practice. The State Government should also have a role in commissioning research, and in promoting policy transparency at a national level. With the May 2005 Government announcement of further IPART-recommended reforms, the Government indicated its intention to claim responsibilities for funding research, awareness and education programs, counselling and treatment services and “other community projects” (DGR, 2005).
- **Gambling industry:** Registered clubs, pubs and the State's casino are all approved to operate poker machines. While the casino has a regional monopoly for its type of venue, it competes with clubs and pubs to the extent of its poker machine gambling. Industry peak bodies include Clubs NSW, whose membership is claimed to constitute a significant proportion of the State's registered clubs, and the Clubs Managers' Association, an association of club managers (IPART, 2008). In the context of Australia's dominance of the design and manufacture of poker machines, another important aspect of the industry is the poker machine manufacturers, and this group also has a peak body, the Australian Gaming Machine Manufacturers Association. There is a mix of public and private ownership in the gambling industries generally, although the ownership structure of registered clubs can be characterised as non-profit member collectives (see Section 2.6)
- **Gamblers:** In a wider context, these can be understood to include the patrons or customers of the gambling operators. Because the range of facilities and services

provided by clubs, pubs and the casino include non-gambling activities, a proportion of patrons could be expected to be non-gamblers (that is, those patrons who use the non-gambling facilities of the venues).

- **Problem gambling counsellors:** These represent a significant stakeholder group in view of the reliance placed upon counselling as one of the three main strategies for developing a responsible gambling policy framework (see Section 2.9).
- **Community:** This can include the family and friends of gamblers who can be at risk of the negative impacts of excessive gambling. Also, because many of the gambling operators (notably clubs) are required to make contributions for local community projects, the community, as benefactors of such contributions, can be included as a stakeholder in machine gambling in the State. Also included in this category are local councils, government departments and community groups which have a community welfare function: all these take specific roles under the Community Development Support Expenditure Scheme discussed at Section 2.6.1.

## **2.5 Poker machine gambling in clubs**

New South Wales was the first Australian State to legalise poker machines, when legislation permitting their use in not-for-profit clubs was passed to take effect in 1956. From the 1970s, Government policy with respect to gambling had tended to focus less on social objectives, and more on “the potential for gambling to stimulate general economic development” (McMillen, 1996, p. 10). Coupled with this, the prevailing economic and political pressures at that time culminated in a general liberalisation of policy towards poker machine gambling (Doughney, 2002) so that, by the 1990s, poker machines were approved to operate in New South Wales pubs, and legalised in all Australian States.

There is a suggestion that gambling “expenditure” – that is, gamblers’ losses – peaked during the 1990s, with a slowing growth trend in poker machine expenditure around 2000 (Banks, 2002). Still, since 2000, despite the slowing growth *trend*, the total gambling

expenditure continues to increase; with a growth of 3.9 per cent from the 2005 financial year to 2006 (Delfabbro, 2008). For poker machines in particular, around 60 per cent of total Australian gambling revenue is derived from the machines (Delfabbro, 2008).

By the latter part of the 1990s, the full extent of the social costs of gambling, and poker machine gambling in particular, was showing the need for urgent gambling management reform. In New South Wales, the Independent Pricing and Regulatory Tribunal handed down a report to government in 1998 (IPART, 1998) and, in the following year, the national Productivity Commission released both a draft and a final report into Australia's gambling industries (Productivity Commission, 1999; 1999a). In something of a watershed in the understanding of gambling management across Australia, among its findings about the social costs of gambling, the Commission discovered that, while 92 per cent of the Australian population did not want further expansion of poker machines, problem gambling was associated with gamblers' accessibility to the machines.

This period of heightened public enquiry, which was marked by calls for submissions, multiple-stakeholder involvement in the enquiry, the Productivity Commission's release of its draft report and a developing awareness about problem gambling in the community, all alerted the club sector to the possibility of enforced reform. The sector's peak body at the time, the Registered Clubs Association (now Clubs NSW), implemented a limited trial of a self-regulated responsible gambling program, before the Productivity Commission could release its final report (Hing, 2003). Also, the transparent nature of the enquiries had alerted the New South Wales government to some of the likely findings about the management of gambling in the State, and an Exposure Draft of gambling reform legislation was introduced into New South Wales State Parliament before the release of the national Productivity Commission's report (Hing, 2003). This meant that both the club sector and the NSW Government had reacted before the national Commission could produce its final report.

The timing of these developments is telling. In what could be seen to be a hasty move, in 2000, very soon after the Commission's report and with public comment already in from

the NSW Government's Exposure Draft of legislation, implementation of "responsible gambling" reforms was forced onto poker machine operators. At the same time, the club sector retained a reduced ability to self-regulate, with the Registered Clubs Association's involvement in the development of a code of practice and in a program to ensure the responsible conduct of gambling in clubs and pubs (Hing, 2003).

At the State government's request, the Independent Pricing and Regulatory Tribunal released a second report in 2004 – *Gambling: Promoting a Culture of Responsibility* (IPART, 2004). In line with its terms of reference, this focused specifically on the "harm minimisation strategies" that had been central to the Government's responsible gambling measures for poker machine gambling, which were hastily implemented in 2000. The 2004 Report included more than 100 recommendations, and the Government's response to these was revealed in the May 2005 document: *Towards a Culture of Responsibility in Gambling* (DGR, 2004). A thread through much of the Government's response is the need for research into the true nature and effect of the harm minimisation strategies, before substantive changes to the current measures are made.

Also in 2004, the State government increased its levy of the "poker machine tax" on larger clubs. This drew protests from the club sector: club members were incited into street marches, and media reports (especially in the local press) bemoaned the demise of the registered club. The Government instigated its own media campaign, and these announcements touted the tax increase as a "win for our hospitals" (NSW Treasury, 2004). This was apparently a reference to unspecified reports of the need for health care funding at the time. Thus, it appeared that gambling taxes were to fund the needs of the public health care system.

In a more delayed response to the thrust of the national Productivity Commission's report, a cap was put on the total number of poker machines in New South Wales clubs and pubs, following legislation passed in 2001. More than 78,000 poker machines are now approved to operate in registered clubs in New South Wales, and almost 26,000 in pubs. A further 1,500 machines are licensed for the State's casino, but these are not included in

the cap (IPART, 2004). Even so, of the net takings currently derived from gambling businesses in New South Wales, more than 70 per cent is from poker machines (Delfabbro, 2008). Some 87 per cent of clubs operate poker machines (IPART, 2008).

Thus, poker machine gambling in clubs should be understood to exist in a highly politicised environment, with interest and involvement from both Federal and State governments (as discussed in Section 2.10). Also, notwithstanding the economic benefits to be derived by clubs from poker machine income, the sector experiences significant pressure from community and public health groups that are focused on the undeniable social costs of problem gambling in the community (as discussed in Section 2.7). These pressures can be seen to contribute to the politicised nature of the club sector's involvement in gambling, and the issue of problem gambling has been identified as an area of interest for the Council of Australian Governments (COAG, 2008a), and a priority area for research by Gambling Research Australia (GRA, 2007).

## **2.6 Registered clubs in NSW**

Clubs have existed in Australia since European colonisation. They were originally modeled on the type of British gentlemen's club which mostly provided social, professional-networking or sporting opportunities (Tildesley, 1970). While similar elitist clubs still exist, such clubs tend now to be geographically limited to capital city central business districts, with memberships often drawn from an exclusive, conservative corporate environment. Such clubs are comparatively small, and have little impact in the club sector.

What's more telling is that, currently, approximately half of the 1,400 registered clubs in NSW are sporting clubs: supporting lawn bowls, football (Australian rules, rugby league, rugby union and soccer), golf, tennis, rowing and sailing. The remaining clubs support returned soldiers, ex-services and workers, as well as cultural, religious, community and social interests (Clubs NSW, 2007a). Some 69 per cent of the State's adult residents are club members (IPART, 2008).



To obtain registered club status, such organisations need to be:

- Incorporated as a company limited by guarantee under the (national) *Corporations Code* – such “corporations” are essentially owned by the members; their membership fees entitle them to “shares” in the organisation; and these fees contribute to a common fund for the benefit of all members who can be called upon to “guarantee” the debts of the organisation (CCH Australia, 2004).
- Registered under the *Registered Clubs Act 1976* (NSW) – such clubs need to be established primarily for social, literary, political, sporting or other non-commercial purposes; the governing rules must prohibit distributions of club profits to members; and intending members need to be approved by existing members.

### ***2.6.1 Not-for-profit status***

Registered clubs are therefore not-for-profit organisations. Depending on their specific purposes and social benefit objectives, registered clubs attract various tax concessions, ranging from exemptions for income tax, in some cases, to partial exemptions in others (CCH Australia Limited, 2005). However, investment income and revenue from non-members is generally not exempt.

The not-for-profit character means that trading profits cannot accrue to members. Instead, profits are available to be channeled into enhanced facilities and services for the benefit of members. A large part of the operations of clubs involves the provision of subsidised entertainment, hospitality food and beverage services, recreation games such as pool, sporting activities including gymnasiums and, especially in the case of large football clubs, activities and subsidised away-game tours for fans of the club’s teams.

Membership of such clubs is usually open to adults who live within a five kilometer radius of the club, and those living beyond that limit may normally use the club’s facilities as a visitor. In most cases, visitors are required to pay a premium for the use of

club facilities. Such membership restrictions highlight the basis of the often strong local community support for many metropolitan and rural clubs.

With this connection, much can be made of the club sector's contributions for community-based purposes, such as local charities and community, sporting and welfare projects (IPART 2008). However, amounts channeled back into a club's own facilities and services for its members are often also counted as "community-based contributions" (Hing, 2000). While such manipulations of the spirit of community support blatantly fail to account for the relative need of different groups in the community, they also bear some analogous similarity to a notion that corporate shareholder dividends might equally count as contributions to the community.

The Community Development Support and Expenditure (CDSE) Scheme is a legislated mechanism for encouraging larger clubs to make community support contributions, in accordance with a structured process (*Gaming Machine Tax Act 2001*). Clubs are entitled to a gaming machine tax rebate of up to 1.5 per cent of their gaming machine revenue over \$1 million, if an equivalent amount has been applied under the Scheme for community development and support. The Scheme allows qualifying clubs within any Local Government Area to contribute to a pool of funds which is administered by a Local Committee constituted by a representative of:

- Each of the contributing clubs;
- The local council – which provides local area governance and local community planning input;
- The NSW Department of Community Services – which is the peak government agency providing community service planning, co-ordination and delivery; and
- The Council of Social Service of NSW (NCOSS), or an affiliate – which represents local non-profit community organisations.

While the Local Committees develop community expenditure priorities, specific funding allocations are made by the individual clubs under the auspices of their Boards of Directors (IPART, 2004).

### ***2.6.2 Organisational structure***

These Boards of Directors are central to the organisational structure of clubs: Directors are elected by members. In practice, however, comparatively few club members of larger clubs are thought to participate in club policy formulation to the extent of voting at Board elections (Caldwell, 1972; Productivity Commission, 1999). This means that Directors can often stand for election unopposed or, when there is an election, voter turn-out can be very low and can be limited to only the confirmed supporters of the candidates. Directors are not required to hold any particular qualifications regarding their suitability to occupy the role, although the *Corporations Code* imposes obligations on directors which are generally designed to ensure appropriate governance of the club's activities (CCH Australia Limited, 2004). Also, the 2003 amendments to the Registered Clubs legislation required Directors to disclose certain pecuniary interests, such as any contracts they have with their club, any gifts they receive through their directorships and any financial interests they hold in pubs. Clubs NSW maintains an educational program for clubs directors, and the 2008 IPART report recommended that directors be required to complete a minimum level of training (IPART, 2008).

There has been a tendency in parts of Western Sydney, for example, for smaller clubs to form into group conglomerates, often under the umbrella of a larger more prominent club (Wentworthville Leagues Club Group, 2004). Such amalgamations offer economies of scale in the commercial operations of the clubs, as well as cross-membership entitlements. More importantly, perhaps, these amalgamations constitute something of a differentiated marketing strategy for the conglomerates: the amalgamations enable the Group to provide a broader spectrum of members with a series of different club "products" to meet separate target market needs.

### ***2.6.3 Commercial orientation of clubs***

The community-benefit purposes of clubs has historically explained the need for (and existence of) the preferential concessions enjoyed by the club sector. These include income tax concessions, extended trading hours and, especially in New South Wales, various levels of protection in the poker machine market. Since the 1970s poker machine gambling was progressively “liberalised” and until 1997, when poker machines were approved for use in pubs, New South Wales clubs held the monopoly on the operation of poker machines. However, with the removal of the monopoly in 1997, there developed a marked intensity in the competitive environment of clubs.

This heightened competition in the poker machine market – among clubs as well as pubs – led to many clubs adopting more profit-focused business development strategies. Moreover, clubs were put under still more commercial pressure by developments like the cap on the number of poker machines, the calls for more responsible gambling measures from the Productivity Commission and IPART, and by the 2004 increase in the “poker machine tax” (discussed at Section 2.5). This more market-driven, expansionist commercial focus can be seen to have diverted many clubs away from their explicit *raison d’etre*: those community-benefit objectives for furthering the social, literary, political, sporting and other non-commercial interests of their local communities (Wilcox, 1983, cited in Hing, 2000, p. 70).

A fundamental difference between profit-oriented and not-for-profit organisations is the primary purpose for which they are incorporated (Koteen, 1991). In the case of clubs, the primary purpose must, by legislation, further social, literary, political, sporting and other non-commercial interests of their local communities. However, given the market-driven profit orientation of many clubs, such purposes could appear in practice to be relegated to a subsidiary rank, at least for those 87 per cent of clubs which derive the bulk of their revenues from poker machines (IPART, 2008).

While these tensions exist in the strategic focus and management of registered clubs, regulation of clubs' activities, and their relationships with stakeholders, can be expected to present confounding complications and uncertainties. These are exacerbated by the differing relationships clubs have with their communities. Larger clubs, for example, with more professionally attuned Boards of Directors and more profit-focused business strategies, can be expected to have more tenuous relationships with their communities. Such clubs are understood to operate more as commercially driven entertainment complexes and hospitality venues. Smaller clubs, on the other hand, sometimes with Boards constituted of willing but remarkably inexperienced and unqualified Directors, could take quite a different place in their communities. As a hypothetical generalisation, such clubs may take a more personalised interest in the collective of members and their community imperatives.

Regulating for such variances in the nature and characteristics of clubs should be problematic and, except for differences in poker machine tax imposts, the existing policy and regulatory frameworks do not make any allowances for such differences.

### **2.7 Problem gambling in NSW clubs**

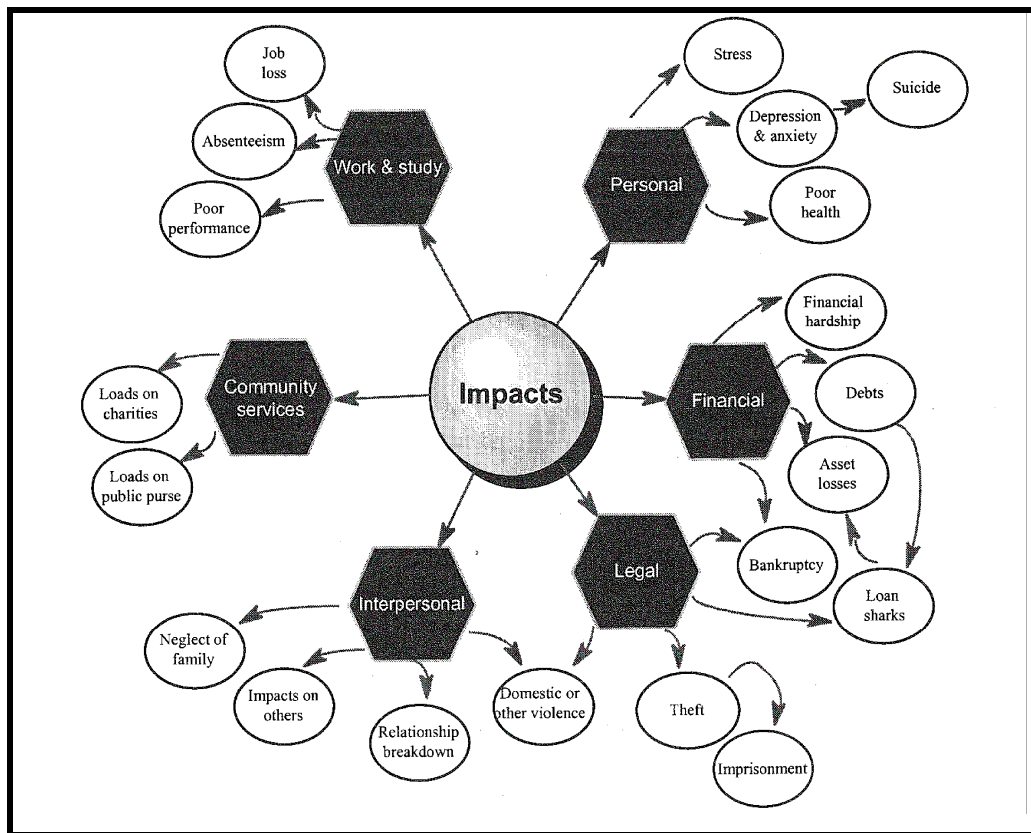
In New South Wales, the prevailing contemporary perspective on problem gambling was laid out by the Independent Pricing and Regulatory Tribunal in its 2004 report, *Gambling: Promoting a Culture of Responsibility* (IPART, 2004).

As recently as 1999, the Productivity Commission noted “[T]he lack of precision in the definition of problem gambling” (Productivity commission, 1999, p. 19). Yet, by the time of the 2004 IPART report, while “[v]arious definitions of problem gambling [were found to] exist” (IPART, 2004, p. 16), a consensus appeared to have developed about the definition of problem gambling. Referring to the Queensland responsible gambling strategy, IPART (2004, p. 16) premised its report with the proposition that:

“... problem gambling exists when gambling activity results in a range of adverse consequences, where:

- the safety and well being of gambling consumers or their family and friends are placed at risk, and/or
- negative impacts extend to the broader community.”

This focus on impacts was represented by the Productivity Commission as in Figure 2.1.



**Figure 2.1: Impacts of problem gambling  
(Productivity Commission, 1999a, p. 7.3)**

While some consensus might be apparent in defining problem *gambling*, this belies an apparent difficulty in understanding the problem *gambler*. It can be axiomatic to suggest that problem gamblers are those who simply gamble to exceed their available resources – in money and time (Dickerson, 2003) – but a difficulty lies in the subjective nature of these thresholds in individual circumstances (IPART, 2004).

Nonetheless, IPART (2004, p. 17) accepted the assessment of the Productivity Commission (1999a, p. 6.4) that problem gamblers can be expected to show the

following characteristics (although not all of these would need to be present for a person to be considered a problem gambler):

- Personal and psychological characteristics, such as difficulties in controlling expenses;
- Gambling behaviours, such as chasing losses;
- Interpersonal problems, such as gambling-related arguments with family;
- Job and study problems, such as poor work performance;
- Financial effects, such as large debts; and
- Legal problems, such as passing bad cheques.

These uncertainties in identifying problem gamblers can be problematic for two reasons: first, such uncertainties can throw doubt on the accuracy of prevalence studies and therefore a true understanding of the social issue of problem gambling. Secondly, treating problem gamblers can be difficult when there is uncertainty in identifying the problem gamblers themselves. In this context, IPART articulated a continuum showing a range of gamblers from 'non gamblers' to 'problem gamblers', as in Figure 2.2.

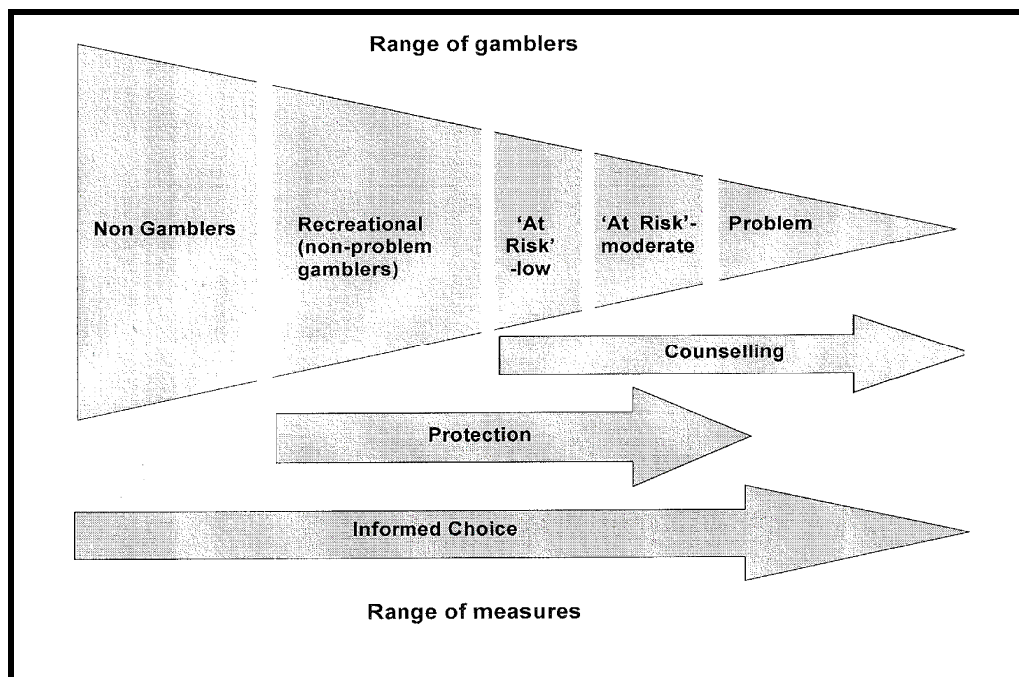


Figure 2.2: Continuum of gamblers and policy approach to responsible gambling (IPART, 2004, p. 28)

This also identifies IPART's suggested policy approach. The promotion of responsible gambling was to be achieved with:

- **Informed choice:** This would enable members of the community, including gamblers, to make informed decisions about the nature and foreseeable consequences of gambling activities.
- **Protection:** Essentially a form of consumer protection, this would be directed to gamblers (recreational and at-risk gamblers, but less so to problem gamblers) and would aim to ensure the production of “safe” gambling products. A thrust of the protection measures would be to ensure that recreational and at-risk gamblers do not progress along the continuum, through “harm minimisation” approaches including strategies such as provision of self-exclusion programs and mandatory shut-down periods.
- **Counselling:** This refers to assisting people who have (or who are in the process of developing) problems, and would include providing assistance for their families and friends. A difficulty with this measure can stem from identifying those with problems and in those gamblers making contact with counselling facilities.

At the level of the club sector peak bodies, Clubs NSW has developed a Code of Practice for use by individual clubs in their management of problem gambling.

## **2.8 Gambling administration and management policy**

Hypothecation or “earmarking” of government’s levied revenue from gambling activities appears to have been accepted in Australia. In New South Wales, this includes the Community Development and Support Expenditure Scheme (discussed at Section 2.6.1), the Casino Liquor and Gaming Control Authority (CLGCA) (which administers levies on the casino’s gambling activities) and, according to government announcements at the time, the appropriation of the 2004 increase in the poker machine tax to improve health



care services, through consolidated revenue (see Section 2.5).

The Productivity Commission (1999, p. 58) noted that the practice of earmarking had the potential for three problems:

- Direct grants generally escape budget scrutiny and prioritization;
- Fluctuations in gambling revenue can affect funding of health services; and
- Accountability and transparency of funding decisions may not meet usual budgetary standards.

It can be taken from this that such concerns might be addressed by the introduction of overseeing influences. In New South Wales, the multi-stakeholder structure of the CDSE Scheme operated perhaps to provide at least some elements of “budget scrutiny” and “accountability and transparency of funding decisions”. Nonetheless, with the New South Wales government’s 2005 announcement following IPART, the government proclaimed its intention to “assume unambiguous responsibility for responsible gambling policy planning and development” (Department of Gaming and Racing, 2005, p. 66).

This claim for “unambiguous” and perhaps even *exclusive* responsibility with the State government – for gambling policy development – might be seen to involve a clearer indication of the power structure around gambling administration and management in the State. The Government’s 2004 move to claim the increase in the poker machine tax to fund health care services could be taken as an indication of a trend towards applying the Government’s gambling levies through an expanded consolidated revenue. The move could be expected to propose strategic tensions for Government:

- Faced with apparently opposing calls on an expanded consolidated revenue (even one which includes gambling levies) could the financial demands of gambling administration (including gambling counselling) and management be compromised, in the course of budget allocations, by more high-profile “good works” that are unrelated to gambling?

- Faced with depleted consolidated revenue, could the Government's gambling policy and management mechanisms be engaged either to more heavily tax the gambling industries or to allow an expansion of the industries, in both cases so as to remedially bolster consolidated revenue?

In any case, the State government has the challenge of being both a regulator and a beneficiary of the gambling industries. Moreover, State and Federal government funded gambling research, reviews and prevalence studies have been claimed to contribute to gambling administration and management (Gambling Research Australia, 2007).

### **2.9 Social responsibility and gambling**

The social costs of gambling and the presence of problem gambling in the community were both identified well before the Productivity Commission brought them into national focus in the late 1990s (O'Hara, 1988). In New South Wales, the Commission's work had acted as part of the catalyst for the State government's "responsible gambling" regime which was intended to address problem gambling in the State.

In fact, the first steps towards the regime had already been implemented before the Commission released its final report. The timing of the development meant that the "responsible gambling" program that was ultimately implemented was not so much a genuine attempt to effectively respond to the findings the Commission. Instead, it could perhaps be better understood to operate as a diversion from the stark realisation that, for example, more than 70 per cent of the State's population thought that gambling did more harm than good (Productivity Commission, 1999a, p. 10.24). Also, the New South Wales government might be considered to have been complicit in this diversion: after all, it appeared to engage in its own pre-emptory move by releasing an Exposure Draft of its legislative reforms before the Commission's final report.

As an indication of this complicit diversion, “responsible gambling” (in those words) was not a thrust of the Productivity Commission’s report, although it has become the framework for the management of gambling in the State (IPART, 2004; DGR, 2005). Clearly, however, the NSW Government and the club sector were under no compulsion to pursue the lead of the Productivity Commission. Currently, the State government appears to be on a path of claiming to itself “unambiguous” control of gambling administration and management (DGR, 2005), with a focus on harm minimisation strategies which foster responsible gambling through informed choice and protection (discussed at Section 2.7).

### **2.10 Political context of poker machine gambling in New South Wales**

This construction of poker machine gambling in New South Wales clubs points to a highly politicised sector, heavily influenced by a strong lobby of market-driven commercial business interests. From this perspective, the not-for-profit status of clubs does no more than mask their commercial orientation. Further, this is confounded by Boards of Directors that are either unskilled and unfamiliar with Board practice, or acutely attuned to the possibility of deriving indirect personal benefit from those positions (Temby, 2004).

After a period of monopolising the poker machine market, a later period of “liberalisation” from the 1970s through to the 1990s brought with it a more competitive and dynamic business environment for clubs. This forced the club sector to adopt a defensive stance in its attempts to protect the competitive advantage it had previously held. Hing (2000) found that, during the 1990s, the club sector’s politicised campaigns included the following:

- A campaign to oppose the introduction of a casino in Sydney in the early 1990s;
- A campaign to stop the introduction of poker machines in NSW pubs in 1996; and
- A campaign to prevent increases in gaming machine tax in 1997.

According to Hing (2000, p. 86-7):

“[These] politicised attempts to protect their competitive advantages during the 1990s backfired for NSW clubs. Not only did they fail to protect their monopoly over machine gambling, but they [also] brought the clubs’ profit levels, extensive gaming machine installations, favourable concessions and limited community service activities under closer scrutiny. Further, the government and the community had become increasingly skeptical about the not-for-profit agenda, social benefit and community focus for clubs.”

More recently, in 2001, the club sector unsuccessfully attempted to thwart the introduction of the Community Development and Support Expenditure Scheme and, despite a campaign waged in the press, it was again unable to stave off increases in the poker machine tax in 2004 (NSW Treasury, 2004).

Thus, after a prolonged period of intensive and strident lobbying, the club sector has had little effect in slowing moves to dismantle the monopoly of clubs in the poker machine market and in requiring the sector to more genuinely account for its social objectives. In the aftermath, this can be seen to have had an impact on the sector’s relationships with government and other stakeholders, such as the pub sector and community service organisations. It can be expected that, after such staunch campaigns, the views of some stakeholders might have become entrenched. It is telling, for example, that the club sector peak body, Clubs NSW, maintains a guarded and minimal freely-accessible website, with limited information about the activities of that organisation. The website supports a secure area for members, however.

This is not to suggest that the club sector does not exert a powerful dynamic in the State’s political and business environments. In fact, in view of the intensity of the sector’s campaigns, at least, just the reverse would seem to be the case. That few (if any) of the campaigns waged by NSW clubs have been successful is perhaps more a testament to the inevitability of those campaigns. Hing (2000) has chronicled decades of privileged treatment of clubs in New South Wales, but she has also shown how the clubs’ privilege has a declining trend. In the process, clubs have “weakened their legitimacy as dominant providers of gambling in the state, attracted public and political skepticism of their

community focus, and raised community concern for problem gambling” (Hing, 2000, p.87).

At a broader level, the subtle, yet complex, socio-cultural tensions both for and against gambling appear to remain unresolved in Australian society, and evidence of these tensions can therefore be expected to play out in the multi-stakeholder dynamics of the NSW club sector. Against these polarised tensions, gambling management and governance might be understood to exhibit some of the hallmarks of a schizophrenic exercise.

For example, the government’s May 2005 response to the IPART Report included a recommendation that “The display of payout ratios should not be required for gaming machines at this time” (DGR, 2005, p. 25). While it is perhaps not well known among gamblers, poker machines must be programmed to provide a minimum return of 85 per cent. Statistically therefore, gamblers can only expect to recoup no more than 85 per cent of their gambling outlay. Nonetheless, in the government’s view, “it is appropriate that some preliminary investigation be undertaken to determine whether the relevant information [about the 85 per cent return] is capable of being communicated in a way that captures the anticipated benefits while substantially eliminating the risk of players being misled or deceived” (DGR, 2005, p.25). Drawing on information in the DGR report, perhaps the appropriate information can be communicated thus:

This poker machine is an entertainment device which is programmed to provide a leisure activity for a fee. Statistically, you will not recoup your bets, and your losses will increase the longer you engage in this activity. Your skill or experience cannot influence the outcome.

From a consumer protection stance, this suggested communication would seem to impart a stark reality in much the same way that the “smoking kills” warning appears on cigarette packets. In any case, the government’s prevarication about the wording of

payout warnings might be taken to show something of its culturally-influenced schizophrenia around gambling policy and administration.

### ***2.10.1 Federal government and gambling reform***

While the Australian States maintain responsibility for the administration and management of gambling in their jurisdictions, the Productivity Commission's seminal report into *Australia's Gambling Industries* was a Federal Government initiative (Productivity Commission, 1999, Terms of Reference). So, while responsibility currently resides with the State government, some indication of possible future Federal government involvement was contemplated by the Commission. It said (1999, p. 33, 34 and 61):

“The current regulatory environment falls short of ... ideal. Policies for the gambling industries lack coherence: they are complex, fragmented and often inconsistent ...” (p. 33)

“While clubs differ in some respects from hotels, the basis for the widely differing treatment in their access to machines and in taxation is unclear, and has varied greatly over time and across jurisdictions ...” (p. 34)

“While many issues are most appropriately dealt with at state level, there are a number of aspects with ramifications at the national level. For example ... to the extent that problem gambling leads to calls on Commonwealth welfare services, some cost shifting is involved; and there may also be economies in having a more national focus on key issues, such as the coordination and assessment of counselling services... There is also a need for a national research facility ...” (p. 61)

Yet the NSW government's response to the 2004 IPART report included its intention to “assume unambiguous responsibility for responsible gambling policy planning and development” (DGR, 2005, p.66). Save for expressing interest in forthcoming research under the National Gambling Research Program, there was little in the government's response to indicate a willingness to participate in Federal initiatives.

Some indication of the club sector's interest in developments in the national arena might be taken from the establishment by Clubs NSW of an office in Canberra, and the executive links between Clubs NSW and a national cooperative of clubs, in the form of Clubs Australia Inc. Given the club sector's tendency to engage at a political level, its

national presence would seem to position it for any moves by the Federal government towards a national cooperative scheme.

More recently, in July 2008, the Council of Australian Governments resolved to request the Commonwealth Treasurer to “arrange for the Productivity Commission to update its 1999 inquiry into problem gambling” (COAG, 2008a). This can be taken to suggest a continuing – if not, renewed – interest in problem gambling at the Federal level.

### ***2.10.2 Federal government and the public health perspective***

Gambling raises concerns not only for the health and wellbeing of individual gamblers, but it also has negative consequences in the wider community (Marshall, 2004). Such community consequences are especially pertinent in light of the definition of problem gambling that encompasses negative impacts in the community. Focus on these community impacts has drawn attention to gambling as a “public health issue”, and this has led to the proposition that gambling therefore demands a public health response (McMillen, 1997).

However, “the manner in which social issues are framed has a direct impact on public policy debates”, according to Korn, Gibbins & Azmier (2003). These authors claim that gambling has been “framed” in a number of different ways. For example, gambling can be framed as an individual freedom, a recreational activity, a tool for economic development or as a form of voluntary taxation to support a government’s social programs. With focus on the gambler, gambling addiction can also be framed as a matter of individual pathology that would require treatment from a mental health model.

What’s more, from a government’s perspective:

“Gambling is seen with the context of *public* accountability, *public* responsibility, and *public* health. Because gambling is within the public health domain ... there is an incumbent responsibility for political leaders to be informed about the costs and benefits of gambling, and to be held publicly accountable for their policy choices.” (Korn, Gibbins and Azmier, 2003, p. 237)

While these different frames can be understood to co-exist with some tension and uncertainty, they can be in competition with each other during debates about public policy. Aspects of such tension and competition are perhaps evident in the club sector, especially in the posturing around problem gambling and social responsibility, between the State government, the club sector peak bodies and even the Federal government, at least through its instigation of the Productivity Commission's Reports.

Marshall (2004) suggests that, if gambling can be conceptualised as a public health issue, there is scope for Federal government involvement.

“...the Federal Government is the body that must lead on this front, just as it has done for similar public health concerns such as smoking and alcohol use... Public health implications have resulted in concerted pushes for the limitation and reduction of alcohol and tobacco consumption, particularly the latter, which has in recent decades undergone enormous changes in public expectations as well as commercial availability

This call for Federal government intervention does not appear to have further support in the literature.

## **2.11 Chapter conclusion**

The phenomena of poker machine gambling and registered clubs are both well entrenched in New South Wales: both have convergent historical and cultural perspectives.

These socio-cultural perspectives of gambling not only explain why NSW clubs have fought to protect their poker machine business, but these perspectives can also account for the relationships the club sector has with its stakeholders, including Government, the pub sector and community service organisations (under the CDSE Scheme). Since the early 1990s, poker machine gambling in New South Wales has been characterised by a period of dynamic business turbulence. Despite the club sector's campaigns to protect its



privileged market position, industry trends appear more towards a type of free-trade business environment. A type of economic Darwinian culling of less viable clubs was therefore perhaps inevitable, and this can account for the NSW government's move to enlist IPART support to report on "facilitating a sustainable clubs industry over the next 10 to 15 years" (IPART, 2008, p. 8).

In what is possibly a continuation of the socio-cultural perspectives on gambling, the moves by the State government to proclaim its "unambiguous responsibility" for gambling have political dimensions at both State and Federal levels. The State government's tactical maneuvering and its collaboration with NSW clubs around the time of the Productivity Commission's report (1999) have led to its current concentration on "responsible gambling". This belies a broader framework for social responsibility that would operate to explore clubs' responsibilities for problem gambling. Against this background, the following chapter now identifies a critical approach to corporate social responsibility and stakeholder engagement.

## CHAPTER 3

### **A CRITICAL APPROACH TO CSR AND STAKEHOLDER ENGAGEMENT**

	<i>Page</i>
3.1 Chapter introduction .....	51
3.2 Framing the discussion of CSR and stakeholder engagements .....	52
3.3 CSR concepts and practice .....	54
3.3.1 CSR terms and concepts .....	55
3.3.2 Socially responsible <i>practice</i> .....	58
3.4 Corporate stakeholders .....	62
3.4.1 Stakeholder networks .....	62
3.4.2 A critical approach to stakeholder networks .....	66
3.4.3 Multi-stakeholder initiatives .....	72
3.4.4 Corporate accountability and stakeholder engagement .....	77
3.5 Corporate responsibility in Australia .....	81
3.5.1 Social responsibility in NSW clubs .....	84
3.6 Chapter conclusion .....	89

#### **3.1 Chapter introduction**

This chapter explains the theoretical framework of the research. Chapter 2 laid out the salient characteristics of poker machine gambling in New South Wales registered clubs, in order to provide the foundational context for the discipline field of the study. Now, this chapter articulates the theoretical constructs that frame the research.

The chapter begins with an account of corporate social responsibility (CSR), and draws attention to the related terms and understandings variously attributed to this aspect of “business in society” (Waddock, 2004, p. 9). The discussion considers stakeholder theory, which is often sourced to the Freeman (1984) text on strategic management (Carroll & Buchholtz, 2006; Dunphy, Griffiths & Benn, 2007). The stakeholder approach allows scope for those who are “affected by or can affect the achievement of an organization’s objectives” (Freeman & Velamuri, 2006, p. 12), to engage with the corporation in order to bring their stakeholder imperatives to bear on the organisation.

However, there is a body of literature which suggests that, in view of the way corporations establish and operationalise their stakeholder relationships, stakeholder influences often really only further an organisation's corporatist, usually economic, agendas (for example, Utting, 2002; Banerjee, 2005; Banerjee, 2007). For this reason, the chapter takes a critical stance in contemplating stakeholder engagements. This stance provides access to a theoretical approach that enables stakeholders to be seen, not as passive participants subsumed by corporatist ideology. Instead, in a more egalitarian framework, an organisation together with those who would otherwise be characterised as its stakeholders are taken to be participants in a type of community-network structure. With access to this approach, a corporation's stakeholders can be understood to be able to maintain their own imperatives in an interactive dynamic. The chapter then explores notions of multi-stakeholder networks, especially in the context of "corporate social *accountability*" (Utting, 2005a). The chapter concludes by considering how such critical dimensions of social responsibility might be viewed in the context of stakeholder engagement around problem gambling in Australia and, more particularly, in New South Wales registered clubs.

To follow this chapter, Chapter 4 explains the methodological framework of the research, and focuses on the methods adopted to study the research participants' interaction and engagement with each other, around the issue of problem gambling.

### **3.2 Framing the discussion of CSR and stakeholder engagements**

This chapter takes a critical perspective in its discussion of corporate social responsibility (CSR) and corporate stakeholders. Introduced in Section 1.5, the study embraces critical theory as a unifying philosophical thread throughout, and the adoption of the critical approach in this chapter's elucidation of the theoretical constructs of the research is taken to be consistent with the study's broad critical project.

In addition, this chapter is founded on an underlying presumption that social responsibilities are indeed part of contemporary business practice. The socially inspired

sensibilities of CSR, which are drawn from the notion of business in society, “have always existed to some extent”, according to Carroll (1991, p. 40). More specifically, the broad topic of corporate social responsibility can be sourced to a 1953 publication by Bowen (Lockett, Moon & Visser, 2006; Banerjee, 2007).

To the contrary, however, American economist Milton Friedman is often quoted with the rival view, which appeared in an article infamously titled “The Social Responsibility of Business is to Increase its Profits” (Friedman, 1970, in Hartman, 2005; referred to in, for example, Carroll, 1991; Lockett, Moon & Visser, 2006; Windor, 2006). While that view continues to be cited, it does not appear to carry significant weight across a broad spectrum of current literature on CSR (see for example, McWilliams, Siegel & Wright, 2006; Werther & Chandler, 2006; Sachs, Maurer, Ruhli & Hoffmann, 2006; Carroll & Buchholtz, 2006). What’s more, even when the Friedman view might be seen to have been occasionally adopted in literature, the arguments and assertions that draw on that approach can be found nonetheless to support a stance that contemplates a “social output” from business activities (Husted & de Jesus Salazar, 2006)

In a similar vein to Friedman, *The Economist* magazine carried a feature on CSR in January 2005. Running over a number of pages, one of the feature articles headlined that “Good corporate citizens, and wise governments, should be wary of CSR” (*Economist*, 22 January 2005, p. 1). The article concluded:

The proper business of business is business. No apology required. (p. 4)

The thrust of the feature was criticised by the magazine’s readers when, in a subsequent 2005 issue, the “Letters to the Editor” section is taken to have been wholly devoted to refuting the central theme of the feature (*Economist*, 5 February 2005). Additionally, in academic literature, the feature has been editorially criticised for, among other things, “confusing proponents of CSR with the anti-capitalist movement” (Birch, 2005, p. 3). Even though some aspects of contemporary formulations of corporate responsibility can accommodate, for example, economic rationalisations of CSR (discussed at Section 3.3.2

following), *The Economist's* feature failed to take these up. For example, the “enlightened self-interest” approach to CSR contemplates that business benefits will accrue to a corporation as a result of engaging in socially responsible activities (Moir, 2001). In this light, *The Economist's* opposition to CSR can be argued to have been founded on an ideological objection, not one based on any criticism of the inherent characteristics of CSR; and this is consistent with the explanation offered by Birch (2005). More recently, in a clear turn-around, another CSR feature from *The Economist* has recognised CSR to be, amongst other things, “just good business” (Economist, 19 January 2008).

Thus, in keeping with the accepted themes of the vast literature which explores the social dimensions of corporate responsibilities (including, for example, the literature cited in Section 3.1), it is not considered germane to the current discussion to mount an ideological justification for the inclusion of social sensibilities in business management practice. Instead, the underlying premise of this study avidly rests on the notion that “CSR continues to be a ‘front-burner’ issue with the business community” (Carroll & Buchholtz, 2009, p.34). In Australia specifically, support for this approach can be taken from the Federal government’s Parliamentary Joint Committee Report on corporate responsibility (Commonwealth of Australia, 2006). There, it was accepted that:

Corporate responsibility is emerging as an issue of critical importance for Australia’s mainstream business community (p. 3)

This is therefore taken to justify the study’s foundational premise that social responsibilities are indeed part of corporate business practice. With that underpinning, there is then scope to consider applied issues that focus on the practical application of CSR and related concepts. Such issues form the thrust of this chapter.

### **3.3 CSR concepts and practice**

Accounts of CSR show an abundance of, and even disagreement about, terminology, concepts and models, not least due to the vast literature on corporate responsibility and

related topics (Waddock, 2004; Banerjee, 2005). The following sections provide an aspect of the variations and diversity of thought on CSR and corporate citizenship, and the discussion engages literature to develop insights into the operation or the practice of social responsibility.

### 3.3.1 CSR terms and concepts

The tensions between a corporation's financial imperatives, on the one hand, and its social obligations, on the other, have been described by Hosmer (2006) as "the dilemma of management". This dilemma is represented by:

... a conflict between an organization's financial performance (measured by revenues, costs and profits) and its social performance (stated in terms of obligations to persons both within and without the organization) (2006, p. 2).

A more complex understanding of the range of responsibilities that reside with businesses was outlined in the "pyramid of social responsibility" suggested by Carroll (1991). That provided a framework which contemplated four components of CSR. On this understanding, the four components could be seen to be structured in layers, which build on each other from a broader base to a narrower upper-level stratum. Figure 3.1 indicates the nature and structure of the pyramid.

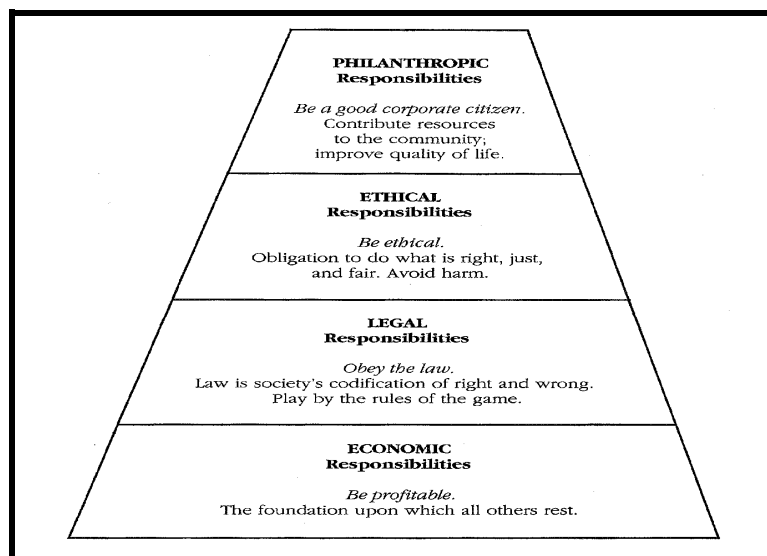


Figure 3.1: The Pyramid of Corporate Social Responsibility (Carroll, 1991, p. 42)

At its base, representing the foundation upon which other responsibilities rest, are the corporation's economic responsibilities. According to Carroll, this is the responsibility to "be profitable". Layered on that are the corporation's legal responsibilities, which require the organisation to "obey the law". Next are the ethical responsibilities which carry the obligation to "be ethical", by doing what is right, just and fair. At the top of the pyramid is the corporation's philanthropic responsibilities, which impose a requirement to "be a good corporate citizen", by making contributions of resources to the community (Carroll, 1991, pp. 40-43).

This four-tiered construction of CSR has been taken up by several authors including, for example, Maignan & Ferrell (2000; 2001), who preferred the term "corporate citizenship". For them, corporate citizenship was defined as "the extent to which businesses meet the economic, legal, ethical and discretionary responsibilities imposed on them by their stakeholders" (Maignan & Ferrell, 2000, p. 284). With attention to the "citizenship" focus, Matten and Crane (2005) set out to make the case for corporate citizenship as the preferred term within the "CSR discourse" (2005, p. 167). These authors argued against the view of the corporation as a citizen, however. Instead, they proposed that corporate citizenship "describes the role of the corporation in administering citizenship rights for individuals" (2005, p. 173).

With such variations in the use of terminology and in the meanings attaching to them, Waddock (2004) called attention to the plethora of terms and concepts which "appear to describe basically the same phenomena" (2004, p. 8). Drawing on literature, her discussion laid out what can be understood to be six "root concepts" of corporate citizenship (2004, p. 9-12). These are listed in Table 3.1.

Root Concept	Explanation
1. <i>Corporate responsibility (and CSR)</i>	<p>This refers to the degree of responsibility apparent in corporate strategies and practices as they impact on stakeholders. Corporate responsibility was said to form the root or foundation of corporate citizenship, and there was a suggestion that the expression is used interchangeably with “corporate citizenship”.</p> <p>“<i>Corporate social responsibility</i>” was proposed to be the subset of corporate responsibility that dealt with the corporation’s discretionary relationships with its community stakeholders. Four variants of CSR were identified by Waddock (2004, pp. 12-24), including “corporate social responsibility” (CSR1), “corporate social responsiveness” (CSR2), “corporate social rectitude” (CSR3) and “cosmos, science, religion (spirituality)” (CSR4).</p>
2. <i>Corporate citizenship</i>	<p>This is apparent in the strategies and practices that corporations employ in their relationships with stakeholders. While controversy exists about whether a corporation can indeed act as a citizen, the concept attempts to integrate corporate responsibility/performance and stakeholder theory.</p>
3. <i>Corporate social performance</i>	<p>This provides a framework to assess a corporation’s relationship to and activities in society and with respect to stakeholders. CSP demonstrated that “principles, processes and outcomes all need to be taken into account” (p. 11).</p>
4. <i>Stakeholder theory</i>	<p>This proposes that relationships with stakeholders add value and strategic focus to the business.</p>
5. <i>Corporate community relations (CCR) or involvement (CCI)</i>	<p>This includes a range of corporate practices that allow corporations to enter into relationships with community members, including government. The related term, corporate community involvement, refers to the range of processes that describes a corporation’s engagement with stakeholders from the community.</p>
6. <i>Corporate reputation</i>	<p>This is taken to refer to the perceptions that a corporation’s internal and external stakeholders have about the corporation, taken across a range of stakeholder-focussed attributes.</p>

Table 3.1: Root concepts of corporate citizenship (Waddock, 2004)

More recently, Carroll and Burkholtz (2009) accepted that “corporate citizenship” can be used to refer to a wide range of concepts related to CSR. These authors explained the interrelationship between some of these terms and concepts as a progressive one, moving from corporate social responsibility, through corporate social responsiveness, to corporate social performance. A representation of this is in Figure 3.2.



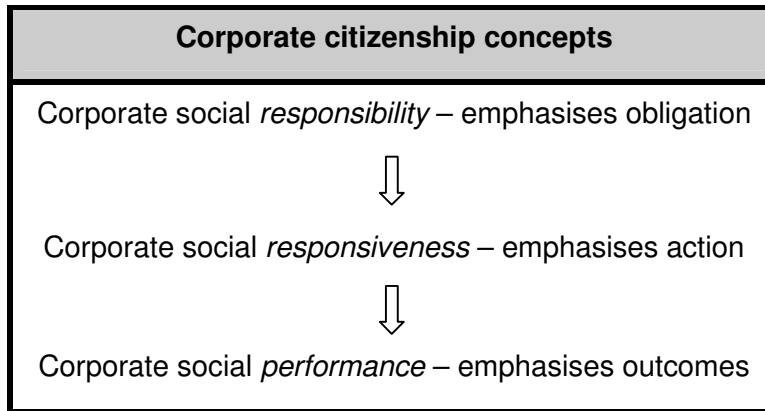


Figure 3.2: Interrelationship of CSR concepts (Carroll & Buchholtz, 2009, p. 36)

If nothing more, the plethora of terms, concepts and models has enabled authors to propose formulations of CSR and related topics that serve to “set [their] work apart from that of others” (Waddock, 2004, p. 8). In the process, though, such diverse variations in the management literature on CSR and its related concepts and models make any possibility of a theoretical reconciliation problematic and obscure, if at all possible. In fact, any attempts to resolve the theoretical differences in the literature may well prove pointless. According to Pederson (2006):

CSR is concerned with the relationship between business and society, but ... the nature of this relationship will always be subject to numerous interpretations and influenced by passing trends and fashions (2006, p. 139).

In this chapter and the discussion that follows, “CSR” is used in the broader general sense of “CSR discourse”, as articulated by Matten and Crane (2005, p. 167), unless expressly ascribed a more specific or particular meaning. Also, “corporate citizenship” is used in the meta-level sense proposed by Carroll and Buchholtz (2009), of referring to a wide range of concepts related to CSR (as in Figure 3.2), unless otherwise indicated.

### **3.3.2 Socially responsible practice**

With the established futility of attempts at a theoretical reconciliation of the diverse interpretations and influences of CSR and corporate citizenship, this section concentrates

on developing understandings about the *practice* of CSR. Indeed, Waddock (2004) claimed that:

... academic- and practice-based thinking about corporate citizenship (corporate responsibility) ... seem to have evolved in parallel, sometimes overlapping but sometimes universes apart (2004, p. 5).

So, given the established difficulties associated with theoretically reconciling the diverse literature on CSR and the related concepts and models, this chapter leaves the theoretical reconciliation to one side while it concentrates this literature discussion on the *practice* of CSR and corporate citizenship. With this attention to practice, Utting (2002) focused on the nature and characteristics of the different forms of “regulation” that can influence a corporation’s practice of its social responsibilities. He identified a chronological transition in the practice of CSR through three phases of regulation:

- *Command and control*

The first phase of the transition was a type of state-directed “command and control” regulation, under which corporations were mandated to recognise socially inspired responsibilities. Utting (2002) chronologically located this approach to the 1960s and 1970s.

- *Self-regulation*

Next in the transition of CSR practice were systems of corporate “self-regulation”, which were claimed to have evolved during the 1980s and 1990s. This type of “regulatory” environment provided corporations with several approaches to CSR and corporate citizenship.

One of these “highlighted the ethical basis of self-regulatory and voluntary approaches” (Utting, 2002, p. 67); and this ethical basis is well recognised in the literature (see, for example, Donaldson & Davis, 1991; Donaldson & Preston, 1995; Jones, 1995; Key &

Popkin, 1998; Weiss, 2003; Windsor, 2006). This approach calls upon corporations to practise “self-restraint and altruism” (Windsor, 2006, p. 98), notably in answer to unregulated markets and liberal public policy.

Another self-regulatory approach is represented by the:

... so-called win-win arguments [which] suggested that corporate social and environmental responsibility made good business sense by boosting a firm’s competitive advantage, creating new markets (Utting, 2002, p. 68)

This approach is also well recognised in the literature (see, for example, World Business Council for Sustainable Development, 2000; McWilliams & Siegel, 2001; Orlitzky, Schmidt & Rynes, 2003). Expressions that encompass this concept include “cause-related marketing” (Bronn & Vrioni (2001), the “enlightened self-interest” approach (Moir, 2001, p. 17) and “doing well by doing good” (Key & Popkin, 1998; Waddock & Smith, 2000). The “win-win” perspective of CSR has a concentration on the benefits that can accrue to the business as a result of its socially responsible activities. Such benefits include the creation of new markets (Utting, 2002) as well as enhancement of the firm’s reputation and staff loyalty (Moir, 2001). In this light, it can be understood that such self-regulation is susceptible to ad-hoc implementation, only when corporate interests would be served. This led to the contention that:

Many saw corporate self-regulation as essentially a public relations exercise (Utting, 2002, p. 69)

Accordingly, Utting (2002; 2005a) identified a critical perspective on this self-regulatory approach to CSR. In changing social and economic settings, he said, corporations are subjected to the outside pressures of social and environmental agendas that can be targeted at corporations’ strategically-motivated socially responsible inclinations. In such cases, corporations do not simply react or respond to such pressures, though. Instead, corporations are able to mobilise themselves to “influence, control and lead” those social and environmental pressures to the corporations’ own advantage (Utting, 2005a, 375; Banerjee, 2007).

Rather than simply reacting to pressure, companies [could] engage proactively with the corporate responsibility agenda and activists. This would allow business to not only deflect or dilute certain pressures but also be in the driving seat to ensure that change took place on terms favourable to business (Utting, 2002, p. 68).

Such influential engagements with the corporate responsibility agenda led to the notion of “greenwash”. With specific focus on environmental issues, Greer & Bruno (1996) proposed that greenwash involves the “dissemination of (dis)information” in ways that enable corporations to preserve or expand their market presence while also presenting as environmentally aware. Greer and Bruno proposed the following to exemplify:

A corporate leader in ozone destruction takes credit for being a leader in ozone protection. A giant oil transnational embraces the ‘precautionary approach’ to global warming. A major agrochemical manufacturer trades in pesticide so hazardous it has been banned in many countries, while implying that it is helping to feed the hungry ... And these corporations, with the help of their business associations and public relations firms, help set the agenda for global negotiations on the crisis of environment and development. (1996, p. 11)

Thus, with access to the critical perspective, corporate responses to the outside pressures of social and environmental agendas can be seen to be inadequate for three reasons. First, corporations can be expected to respond by deflecting or diluting the pressures exerted by these agendas. Secondly, corporations could “influence, control and lead” those agendas into areas that are most likely to advantage corporations; and finally, corporations can be expected to respond to social and environmental agendas by engaging in the rhetoric of greenwash, claiming an allegiance with the political thrust of these agendas while at the same time *acting* in ways that do not wholly, sincerely support that.

- Co-regulation

The third transitional phase of CSR practice is “co-regulation”. According to Utting (2002):

... co-regulation arises when two or more actors or ‘stakeholders’ are involved in the design and implementation of norms and instruments that attempt to improve the

social and environmental performance of firms. This may involve government and/or multilateral organizations working with industry (2002, p. 65).

Identified in this context by Utting (2002) as “multistakeholder initiatives”, stakeholder involvement in CSR is discussed in the sections that follow.

### **3.4 Corporate stakeholders**

The following section explains the stakeholder approach to CSR and then, drawing on literature, outlines a critical perspective of that approach. With reference to “multi-stakeholder initiatives”, the section goes on to discuss how the critical perspective might be operationalised.

#### ***3.4.1 Stakeholder networks***

Allowances for stakeholder involvement in CSR are often sourced to Freeman’s 1984 text, *Strategic Management: A Stakeholder Approach* (see, for example, Jones, 1995; Pedersen, 2006). Freeman’s proposition was that corporations are better able to achieve their strategic imperatives, when they engage their constituents or stakeholders in the exercise. This is because stakeholders can be theorised to bring their own expectations to bear in the engagement (1984, p. 26), and these can be manoeuvred to contribute to the corporation’s own objectives. Graphically, the relationships between the corporation and its stakeholders can be represented as something of a radial constellation. This positions the corporation at the centre, and each stakeholder has its own individual dyadic relationship with the corporation in a radial format. Figure 3.3 provides a representation of this relationship between the corporation and its stakeholders, in what has been referred to as the “hub-and-spoke” conceptualisation (Jonker & Foster, 2002, p. 190; Steurer, 2006, p. 57).

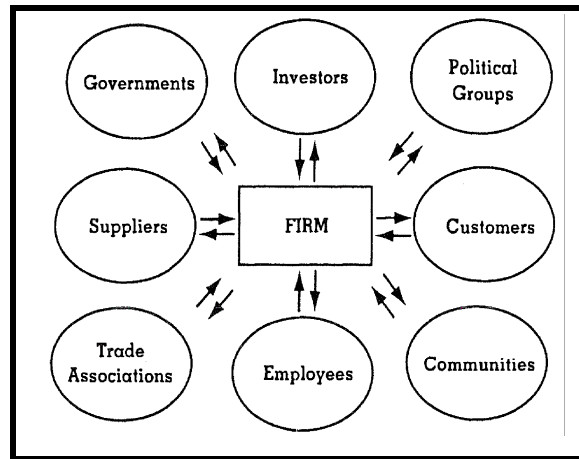


Figure 3.3: Representation of relationship between the corporation and stakeholders  
(Donaldson & Preston, 1995, p. 69)

At least superficially, there is some inherent logical appeal for this notion of collectively involving stakeholders' disparate bearings in the corporation's strategic initiatives. Theoretically at least, the approach therefore provides scope for stakeholders to input into a corporation's socially motivated inclinations. This points to the driving focus of stakeholder theory: to inform managerial decision making (see, for example, Donaldson & Preston, 1995; Jones & Wicks, 1999; Vilanova, 2007).

Despite claims about the maturity of "stakeholder thinking" (Rowley, 1997, p. 889), some notions surrounding it remain problematic. For example, Freeman's initial definition of a stakeholder is:

... any group or individual who can affect or is affected by the achievement of the firm's objectives (1984, p. 25)

More recently, Donaldson and Preston (1995) drew attention to the social dimensions of the stakeholder approach by articulating a definition of stakeholders that referenced the harms and benefits resulting from the corporation's actions. For them:

Stakeholders are identified through the actual or potential harms and benefits that they experience or anticipate experiencing as a result of the firm's actions or inactions (1995, p. 85).

While some scholarship has been devoted to identifying those who might be characterised as the legitimate stakeholders of a corporation (for example, Mitchell, Agle & Wood, 1997; Sachs & Ruhli, 2005), “there is still no generally accepted definition of either ‘stakeholder’ or ‘CSR’” (Pedersen, 2006, p. 139). Indeed, Mitchell et al chronicled almost 30 different, but broadly similar, definitions of stakeholder (1997, p. 858).

This discussion therefore concentrates not on the definitional dimensions of “stakeholderism” (Rowley, 1997, p. 888), but on assessments of it that relate more to the application of stakeholder theory in practice. In this way, Mitchell et al (1997, pp. 865-8) classified stakeholders by reference to their possession of one or more of three attributes, namely: power, legitimacy and urgency.

- Power attribute

A stakeholder’s power is represented by the extent to which it has, or can obtain access to, coercive, utilitarian or normative means to exert its influence in its relationship with the corporation. The authors point out that such dimensions of power can be increased or reduced, and is therefore transitory.

- Legitimacy attribute

A stakeholder’s legitimacy refers to its socially accepted structures and behaviours. There is an aspect of self-perception in this, but legitimacy is broader and more involving of others. This suggests that legitimacy is capable of being established differently in different sectors of the community.

- Urgency attribute

This is a dynamic attribute, which is based on two characteristics. The first is time sensitivity, which refers to the degree to which organisational delay in dealing with the relationship can be problematic for the stakeholder. The second characteristic of the

urgency attribute is criticality. This is a reference to the importance that the stakeholder places on the claim.

Using this framework, the authors went on to develop a stakeholder typology, which is dependant upon the number (or comparative nature) of these attributes present in the stakeholder's relationship with the organisation. To explain this typology, Table 3.2 describes the seven types of stakeholders.

<b>Stakeholder type</b>	<b>Description with reference to the attributes of power, legitimacy, urgency</b>
Dormant stakeholders	These possess power to impose their will on the firm but, by not having a legitimate relationship or an urgent claim, their power remains unused
Discretionary stakeholders	These possess legitimacy, but they have no power to influence the organisation and no urgent claims
Demanding stakeholders	These have urgent claims, but they have neither power nor legitimacy
Dominant stakeholders	These possess power and legitimacy, and so have influence on the organisation
Dependent stakeholders	These lack power, but they nonetheless have urgent and legitimate claims
Dangerous stakeholders	These possess power and urgency, but they lack legitimacy
Definitive stakeholders	These stakeholders possess power and legitimacy, but their claims are also urgent. On this basis, Mitchell et al assert that managers will give priority to such stakeholders

**Table 3.2 Types of stakeholders (Mitchell et al, 1997, pp. 874-9)**

Accordingly, while the focus of stakeholder analysis has generally considered the relationship between the corporation and individual stakeholders, Rowley (1997) has proposed that these relationships can be understood, in practice, to be more complex than the radial diagram anticipates. He hypothesised:

Since stakeholder relationships do not occur in a vacuum of dyadic ties, but rather in a network of influences, a firm's stakeholders are likely to have direct relationships with one another (1997, p. 890).



For Rowley, then, a graphic representation of stakeholder arrangements is not a simple radial diagram with the corporation at the centre. Instead, stakeholders' relationships can be complex, multifarious, and even messy; especially when stakeholders can be expected to be in relationships with other stakeholders and, also, with others who would not normally be in direct relationship with the corporation (referred to as the “focal organization” by Rowley, p. 890). Rowley proposed several possible graphic representations of such complex relationships (1997, p. 891), and two of these are reproduced in Figure 3.4. Graph 1 depicts a stakeholder arrangement where all stakeholders are in relationships with the others of them, in addition to the “focal organization” (FO). But as Rowley pointed out, all stakeholders would be unlikely to have such reciprocal symmetrical arrangements with each other, in practice. Instead, Graph 2 shows a more likely, and nonetheless more complex, configuration where stakeholders have their own separate networks, in addition to their relationship with the “focal organization”.

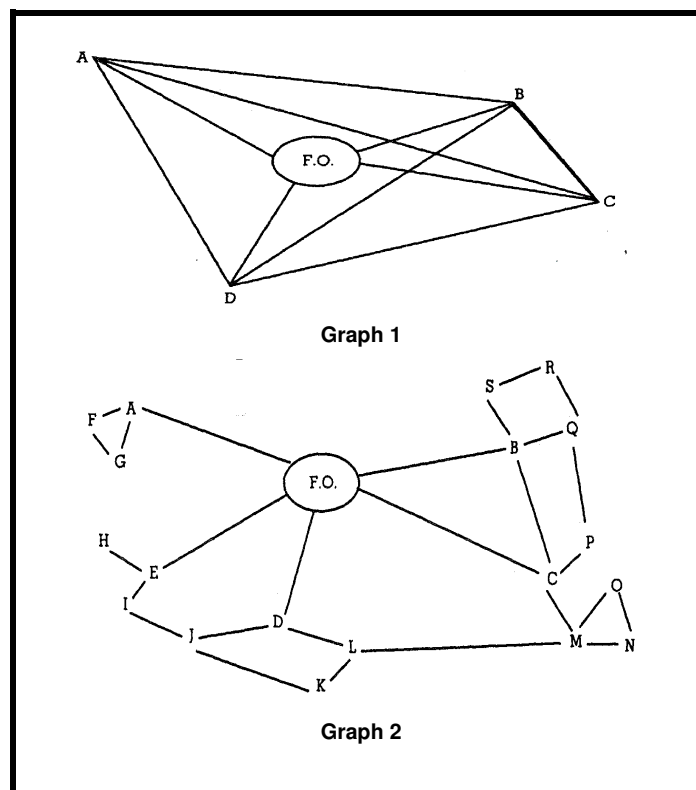


Figure 3.4: Representations of relationships between the focal organisation (FO) and stakeholders (Rowley, 1997, p. 891)

So, because stakeholders themselves could be taken to have their own separate network structures, Rowley was moved to question the necessity for the corporation to be at the network's centre.

It is apparent from this perspective that organizations are not necessarily at the centre of the stakeholder set; hence, an organization's position in its network is an important determinant of its behaviour (Rowley, 1997, p. 892).

This acknowledgement that the corporation may not always be at the centre of the stakeholder dynamic would seem to weaken the focus on the corporation's strategic management intentions, as proposed by Freeman (1984). Without the hub-and-spoke configuration, the more complex stakeholder network arrangement appears to enable less structured and more organic patterns of engagement between and among the corporation and stakeholders. Freeing up the stakeholder environment in this way allows scope to critically contemplate the nature of stakeholder structures, and the following section takes a critical perspective on such "stakeholder thinking" (Rowley, 1997, p. 889).

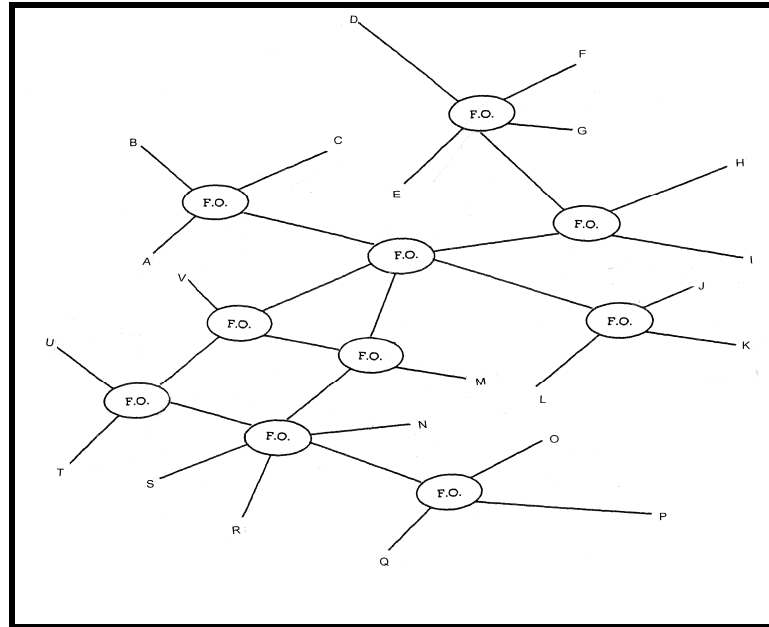
### ***3.4.2 A critical approach to stakeholder networks***

The discussion in this section is premised on Rowley's view that the corporation may not necessarily be at the centre of the "stakeholder set" (1997, p. 892). So, in view of the multi-networked relationships that can exist between and among a "focal organization" and the others in those networks, that "focal organization" can be understood to be just one of many players in a complex network constellation. As indicated in Graph 2 of Figure 3.4, the network constellation can consist of an array of connected entities, and the "focal organization" is simply one of these. In a commercial landscape, a number of these entities can be expected to be in Freeman-like stakeholder relationships with others and, with their connections to further networks, a more populated constellation can be expected to develop. This more expansive understanding of the corporate landscape goes beyond the closed system of a corporation's hub-and-spoke relationships, and can enable corporations and their stakeholders to connect with still others in a broader community context. In this context, corporations could be expected to occupy an unprivileged

position in an open, complex system of network structures. In this reformulation of stakeholder arrangements, corporations have connections and relationship characteristics not unlike other entities in the community.

Because the purpose of the conventional hub-and-spoke approach is to assist in the corporation's strategic management, the emphasis of that formulation can therefore be seen to focus on the corporation. By contrast, however, the Rowley-inspired reformulation of complex stakeholder arrangements appears to take emphasis away from the corporation's strategic purposes. In such reformulation, stakeholder arrangements that operate in more complex open-network structures would seem to allow for some increased attention to be given to other entities in the network structures; and in the process of this, attention is diverted away from the strategic intentions of the corporation.

Hence, this discussion draws attention to two related, but different, notions of stakeholder arrangements; the first might be referred to as the simple hub-and-spoke approach, and the second approach is the one represented by the more complex open-system of stakeholder networks. The thrust of this argument is that each of these approaches can be expected to allow scope for different applications. In this way, the simple hub-and-spoke approach can easily be acknowledged to have application in the strategic management of "focal organizations" (as proposed by Freeman, 1984). On the other hand, however, the complex open-system stakeholder approach assumes the perspective of the other entities in the stakeholder networks, including those which might be considered by the corporation to be its "stakeholders". For these other entities, there is the possibility that they, too, might engage their own self-centric hub-and-spoke network to manage their own strategic intentions. They would do this while at the same time maintaining a single more conventional stakeholder/corporation connection to the "focal organization". In such cases, from the perspective of the complex open-system network constellation, any entity otherwise perceived to be a "stakeholder" of the corporation might take on the graphic position of another "focal organization". The cumulative result might be represented as a constellation of stakeholder networks, as in Figure 3.5.



**Figure 3.5: Representation of a complex open-system stakeholder network constellation (Adapted from Rowley, 1997)**

Accordingly, the expansive reformulation of stakeholder arrangements would give other players in the corporate landscape access to use the hub-and-spoke approach to stakeholder theory, for their own strategic management purposes. Therefore, all such self-centric players in the community-wide corporate landscape would equally have available to them the conventional analytical stakeholder frames; for example, those discussed in Section 3.4.1. This would include the power, legitimacy and urgency attributes of stakeholders, proposed by Mitchell et al (1997). In this way, each of the “focal organizations” represented in Figure 3.5 could conduct an analysis of their own stakeholders, using these attributes. Also, in this expanded corporate landscape, the typology of stakeholders (listed in Table 3.2) could also be expected to have application for all “focal organizations”, in the same way.

Support for this broader view of stakeholder theory can be taken from the “Aristotelian approach to business” proposed by Solomon (2004, p. 1021). For Solomon:

The first principle of business ethics ... is that the corporation is itself a citizen, a member of the larger community. ... corporations like ‘individuals’ are part and parcel of the communities that created them, and the responsibilities that they bear are ... intrinsic to their very existence as social entities (2004, p. 1028, 1029).

Solomon's notion that corporations are themselves members of "the larger community" is consistent with the expanded reformulation of stakeholder arrangements, where corporations and those normally referred to as "stakeholders" are all players in the complex constellation of multiple stakeholder networks. Additionally, the foundational premise of CSR sourced from the notion of "business in society", with its attention to siting corporations in an expanded type of open-system collectivity of "society", would also support the complex multi-networked approach to stakeholder arrangements.

However, it might be argued that there is an inherent flaw in so siting corporations as simple players in a densely populated constellation of multiple stakeholder networks. In this type of arrangement, it might be claimed that corporations are compelled to take on something of an egalitarian stance which might not accord with some conventional notions of the significance of corporations in contemporary society.

After all, we have been raised to believe that "business is business", and even if it isn't "dog-eat-dog" it is pretty rough stuff ... (Solomon, 2004, p. 1040).

What Solomon appears to be highlighting here are attitudes that have sympathy with the Friedmanite notion that "the social responsibility of business is to increase its profits" (Friedman, 1970, in Hartman, 2005). Solomon (2004) had also articulated the view that was later to be expressed in *The Economist* in 2005: "The proper business of business is business" (22 January, 2005, p. 4). Stone (1975, in Ciulla, Martin & Solomon, 2007) has suggested that such notions have the effect of preferencing corporations in ways that attribute to them privileges that would not otherwise be accorded to human beings in the community. He asked: "Why should this be so?" (Stone, 1975, in Ciulla et al, 2007, p. 246).

So far as ordinary morals are concerned, we often expect human beings to act in a fashion that is calculated to benefit others, rather than themselves, and commend them for it. Why should the matter be different for corporations?" (Stone, 1975, in Ciulla et al, 2007, p. 246).

Such notions that refuse to preference or privilege corporations, or to excuse them from the “ordinary morals” expected of human beings call stark attention to a philosophical difference between two perspectives of stakeholder theory. The first is the corporation-centric view of stakeholder theory. The second perspective, however, is a more egalitarian view; one which is more likely to allow some equal attention to be given to a wide range of entities in the multiple network stakeholder structures (including those entities conventionally described as “stakeholders”). This philosophical difference sets up an understanding of two conceptual perspectives on stakeholder theory: the first is a corporatist perspective which, based on the hub-and-spoke approach, privileges corporations, particularly their strategic management intentions. The second is a multi-networked stakeholder perspective. This is more expansive, and has a wider community context. This perspective exists in a densely populated constellation of multiple stakeholder networks, and the strategic attributes of the hub-and-spoke approach could be available to all players (corporate stakeholders as well as the corporations themselves).

While this reformulated stakeholder perspective can be seen to have some sympathy with the notion of corporations as citizens (Matten, Crane & Moon, 2007), the multi-networked stakeholder perspective is claimed to be subtly different from the “stakeholder perspective” proposed by Steurer, Langer, Konrad & Martinuzzi (2005, p. 267) and Steurer (2006, p. 59). There, the “stakeholder perspective” is taken to refer to stakeholder engagement when observed from the stakeholder’s viewpoint. In that case, the corporation and stakeholders are taken to engage from the hub-and-spoke perspective, while still maintaining the attention to the corporation’s strategic intentions. By contrast, the multi-networked stakeholder perspective proposed in this section is claimed to have articulated an alternative paradigmatic premise for the engagement. Here, “stakeholders” do not engage with the corporation in the frame of the corporation’s strategic cause. Rather, as one of many players in the multi-networked constellation, an entity that might have otherwise been conceived as a “stakeholder” of a corporation can engage with the corporation – and equally with others in its own self-centric stakeholder network – in the frame of its own strategic purpose.

So, with this community-wide multi-network perspective of stakeholder theory, there can be seen to be scope for stakeholders of a corporation to engage with the corporation, not as entities garnered to participate in the corporation's strategic intentions. Instead, all players in the networks (including those conventionally described as a corporation's stakeholders) can be understood to have access to their own stakeholder networks, in order to exert their own agendas in each of their network relationships. This approach lays open the possibility that any number of those considered to be a corporation's stakeholders will have opportunities to exert their individual agendas in the engagement between the corporation and its stakeholders. What is telling is that, in that dynamic, stakeholders have scope to form connections and relationships with each other as part of their strategies for engaging with the corporation. The following section develops the notion of "multi-stakeholder initiatives" and discusses how these influences can be brought to bear on a corporation.

### ***3.4.3 Multi-stakeholder initiatives***

Section 3.3.2 explained the three transitional phases of CSR practice, as proposed by Utting (2002, p. 65). The third of these phases was referred to as "co-regulation", and its project was to involve stakeholders in participatory processes that would engender co-regulated activities between a corporation and its stakeholders on CSR issues. From that viewpoint, this chapter's discussion of stakeholder theory has built an argument for an alternative paradigmatic perspective of stakeholder engagements. With that perspective, "stakeholders" do not engage with the corporation in the frame of the corporation's strategic cause. Instead, as one of many players in a community-wide multi-network constellation, any entity has scope to deploy its own self-centric stakeholder networks so as to give attention to its own strategic cause; not the corporation's. This reframing of stakeholder engagement can be seen to enable other's initiatives to structure and control the stakeholder engagement; and this would include stakeholders' initiatives. This section now explores the practice of CSR, on the premise of that argument.

A definition of "multi-stakeholder initiatives" has been proposed by Utting (2005b):

The term ‘multistakeholder initiatives’ is often used to refer to CSR initiatives where two or more stakeholders, actors or interest groups cooperate in the design and application of standards. Such stakeholders often include companies, industry associations, NGOs, trade unions, government agencies and international organizations (2005b, p. 1).

The expression appears to have been developed from the practice of CSR in the global context, and this has contributed to a body of literature on multi-stakeholder engagements in the areas of international development policy and research (see for example, Jenkins, Utting & Pino, 2002; Bendell, 2000; Bendell, 2005; Utting, 2005b; Muthuri, 2007).

Multi-stakeholder initiatives advance the CSR debate from a position at the second transitional phase of CSR practice; this is referred to as “self-regulation” (explained at Section 3.3.2). In this phase, corporations are left to voluntarily implement CSR initiatives – on their own – and, notably, this includes the ethical basis for CSR. The self-regulation phase also includes win-win approaches such as “cause-related marketing”, the “enlightened self-interest” approach and “doing well by doing good” (explained at Section 3.3.2). However, the third transitional phase which calls for co-regulation contemplates a stronger influence from stakeholders. This draws attention to types of arrangements which highlight partnership configurations and “opportunities, processes and mechanisms in which the ‘community’ stakeholder takes part and shares in the decision-making” (Muthuri, 2007, p. 10).

Utting (2005a) has drawn attention to the influences of stakeholders and to the contributions they can make to corporations’ *learning* about CSR:

... modern institutions, including corporations, have the capacity to reflect critically on their role and performance, engage in “organizational” or “social” learning, and reform themselves. In today’s world a successful business must be able to adapt to rapidly changing circumstances. Interaction and dialogue with stakeholders constitute crucial mechanisms for learning and adaptation (2005a, p. 381).

At an international level, the United Nations’ Global Compact program has emphasised inter-organisational learning when “companies are challenged to move toward good



corporate practices as understood by the broader international community” (Ruggie, 2001, p. 372). Such references to the organisational learning of corporations about socially responsible practices highlight a model explained by Zadek (2004; 2005). In this model, five stages of organisational learning about corporate responsibility were proposed.

Table 3.3 reproduces the model.

Stages of organizational learning about CSR	What organizations do during the stage	Why they do it
<i>1. Defensive</i> ("It's not our job to fix that")	Deny practices, outcomes or responsibilities	To defend against attacks to their reputation that in the short term could affect sales, recruitment, productivity and the brand
<i>2. Compliance</i> ("We'll do just as much as we have to do")	Adopt a policy-based compliance approach as a cost of doing business	To mitigate the erosion of economic value in the medium term because of ongoing reputation and litigation risks
<i>3. Managerial</i> ("It's the business, stupid")	Embed the societal issue in their core management processes	To mitigate the erosion of economic value in the medium term and to achieve longer-term gains by integrating responsible business practices into the daily operations
<i>4. Strategic</i> ("It gives us a competitive edge")	Integrate the societal issue into their core business strategies	To enhance economic value in the long term and to gain first-mover advantage by aligning strategy and process innovations with the societal issue
<i>5. Civil</i> ("We need to make sure everybody does it")	Promote broad industry participation in corporate responsibility	To enhance long-term economic value by overcoming any first-mover disadvantages and to realize gains through collective action

**Table 3.3 The Five Stages of Organizational Learning about corporate responsibility**  
(From Zadek, 2004, p. 127)

Multi-stakeholder engagements can be understood to enable corporations to “operationalize this latter stage” of the model (Utting, 2005b, p. 3), by accessing “stakeholder dialogue, participation and partnership” (Bendell, 2005, p. 362). However, given the voluntary nature of most CSR initiatives, even multi-stakeholder engagements are susceptible to the inadequate corporate responses noted in Section 3.3.2. First, corporations can be inclined to deflect or dilute the pressures exerted by any multi-stakeholder initiatives; secondly, corporations can “influence, control and lead”

stakeholder agendas into areas that are likely to advantage corporations; and thirdly, corporations can respond to multi-stakeholder initiatives with a type of “greenwash” rhetoric that enables the corporations to claim allegiance with the political thrust of stakeholder agendas while acting in ways that do not support those agendas. As a result, corporations are able to take such inadequate responses, because there is little or no accountability to stakeholders or others (Utting 2005b; Bendell, 2005).

The concept of corporate accountability has been proposed to counter this. According to Utting (2005a):

The notion of corporate accountability ... is quite different from CSR ... Rather than placing the emphasis on moral compulsion [as CSR does], by saying [corporations] should assume responsibility for actions, [corporate accountability] suggests that they have to answer to their stakeholders and be held to account through some element of punishment or sanction (2005a, p. 385).

In terms of the meta-level corporate citizenship concepts articulated by Carroll and Buchholtz (2009) and discussed at Section 3.3.1, corporate accountability would appear to represent an extension of what they had proposed. Corporate accountability would seem to call for a continuation of the progression of CSR concepts mentioned there: corporate accountability requires an additional further transitional step in the Carroll and Buchholtz conceptualisation of corporate citizenship. Figure 3.6 shows the nature of the additional transition to corporate accountability.

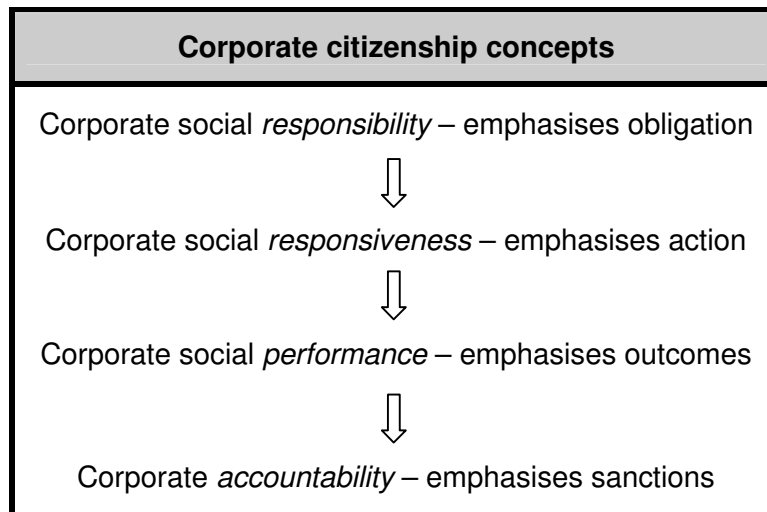


Figure 3.6: Interrelationship of CSR concepts to include corporate accountability  
(Adapted from Carroll & Buchholtz, 2009, p. 36 and Utting, 2005a, p. 385)

Thus, introduction of corporate accountability as an additional concept would require transition from corporate social performance, with its emphasis on outcomes, to corporate accountability, with the emphasis of that approach on *sanctions*. Corporate accountability can therefore include initiatives that involve participative approaches to setting standards, implementing codes as well as monitoring and certification. However:

... one of [the] main challenges [of corporate accountability] is political, namely how to mobilize the social and political forces, and build the broad-based coalitions and networks required to promote institutional change (Utting, 2005b, p. 23).

Two theoretical constructs can be identified to explain how corporate accountability might be operationalised. First, Bendell (2005) has drawn attention to stakeholder democracy which “focuses on the question of how far stakeholders have certain democratic rights in governing the corporation” (International Centre for Corporate Social Responsibility, 2003, cited by Bendell, 2005, p. 372). Secondly, and in a similar vein, Crane, Matten and Moon (2004) have used their notion of corporate citizenship to explore the ways in which “stakeholders hold corporations accountable, and control the administration of ... fundamental [citizenship] rights through democratic participation” (2004, p. 110). These authors have highlighted the activities of, and the engagements by, civil society organisations (CSO) on CSR issues. In this context, CSOs include “pressure

groups, non-governmental organizations (NGOs), community organizations and other civil actors” (Crane, et al, 2004, p. 116). The following section explores some of the practical dimensions of stakeholder engagements in relation to corporate accountability.

#### ***3.4.4 Corporate accountability and stakeholder engagement***

In his discussion of corporate accountability, Utting (2005a; 2005b) referred to “activism” as a type of stakeholder engagement; and he described seven forms of such “relations with big business” (2005a, p. 377). These are explained in Table 3.4:

<b>Activism/Engagement with corporations on CSR issues</b>	<b>Description of activism/engagement</b>
<i>1. Watchdog activism</i>	This would involve identifying and publicising corporate malpractice by “naming and shaming” specific corporations
<i>2. Consumer activism and the fair trade movement</i>	This would involve taking steps to inform consumers about specific products or corporations and organising boycotts
<i>3. Shareholder activism and ethical investment</i>	CSOs or individuals acquire shares in corporations, and use the format of the Annual General Meetings to raise complaints and to propose changes to corporate policy or practice
<i>4. Litigation</i>	This involves activists and victims using the legal systems to prosecute corporate malpractice
<i>5. Critical research, public education and advocacy</i>	This involves generating and disseminating knowledge about corporate activities, including malpractice, and attempting to influence public and academic opinion, as well as policy makers
<i>6. Collaboration and service provision</i>	This involves engaging with corporations and business organisations to identify, analyse and disseminate knowledge on “good practice”, raise awareness of CSR issues, engage in partnership programs and projects, provide training and advisory services, carry out auditing activities
<i>7. Eclectic activism</i>	CSOs simultaneously engage in both collaboration (providing technical assistance and participating in dialogues) and confrontation (such as “naming and shaming”)

**Table 3.4 Types of activism/engagement with corporations on CSR issues (Utting, 2005a, p. 377-378)**

With its concentration on dialogue and partnership-type participation, corporate accountability enables stakeholders to engage on-goingly with corporations in ways that are more complex and sophisticated than conventional commercial relationships (Bendell, 2005). The characteristics of the engagement can be changeable and, with the political element alluded to by Utting (2005b), the engagement can be dependent upon the nature of any claims the stakeholder can make on the corporate agenda (Garvey & Newell, 2005).

The political dimensions of stakeholder pressures on corporate agendas can be understood in the context of a Gramscian theoretical framework (Utting, 2002; 2005a). Levy, Alvesson and Wilmott (2003) have drawn attention to Gramsci's notion of hegemony as a way of appreciating corporate dominance: Gramsci articulated two strategies for addressing the type of conflicts that can arise in such situations (Levy & Egan, 2003). The first strategy of "passive revolution" allows for reform "from above", where:

... capitalism and its elites ... accommodate opposition and resistance, and ... deal with crisis conditions and contradictions by developing new institutions, and reforming and strengthening existing ones (Utting, 2005a, p.378).

This view has been identified in Section 3.3.2 in relation to the voluntary, self-regulated approach to CSR. In the context of that section, corporate responses to CSR were claimed to be inadequate for three reasons: first, they deflect or dilute the social agendas; secondly, corporations "influence, control and lead" the social agendas for corporations' own advantage; and thirdly, corporations engage in a type of "greenwash" rhetoric that claims allegiance with social agendas in ways that mask a corporation's contrary activities. Such corporate responses to CSR can therefore be understood to adopt Gramsci's first strategy (Utting, 2005a).

Further, Gramsci's second strategy for dealing with social conflicts contemplates reform "from below". This "war of position" strategy is understood to be conducive to a stakeholder-driven practice of corporate accountability.

The war of position constitutes a longer-term strategy, coordinated across multiple bases of power. Its intent is to gain influence in the cultural institutions of civil society, to develop organizational and economic capacity, and to exploit tensions in hegemonic coalitions in order to win new allies (Levy, Alvesson & Wilmott, 2003, p. 102).

It can be suggested, therefore, that the “war of position” strategy enables socially inspired stakeholders to counter the naturally occurring dominant influences of corporations. This argument draws on two concepts to make this claim: first, multi-stakeholder initiatives of the types articulated by Utting (2005a; 2005b), Zadek (2004; 2005) and Muthuri (2007); and secondly, the open-system reformulated multi-network stakeholder constellation proposed in Section 3.4.2. Together, these are understood to offer stakeholders sufficient flexibility and agility in the dynamics of corporate/stakeholder engagements in order to engage the “war of position” strategy (Garvey & Newell, 2005).

Not all stakeholder engagements need assume the military stance of the “war of position” strategy, however (Levy et al, 2003). In fact, corporate accountability can be seen to enable stakeholder involvement in a multitude of ways, along a continuum of engagement structures, from confrontation at one extreme of the continuum to collaboration at the other (Utting, 2005b). Such may be taken to be the various and changeable levels of, and attitudes towards, stakeholder engagement.

Corporate accountability may be said to co-exist, in certain circumstances, with self-regulated types of CSR which are based on moral compulsion or win-win strategies. In that case, different stakeholders could be expected to take up diverse attitudes in their engagements with the corporation. On the one hand, a co-regulated, sanctioned approach to stakeholder engagement in the form of corporate accountability may be anticipated when stakeholders possess enough power to exert that degree of influence. Such influence may arise in concert with others, or after a period of sustained engagement, in flexible and complex ways that call attention to Gramsci’s “war of position” (Levy, et al, 2003).

On the other hand, however, a voluntary, unsanctioned approach to CSR could be anticipated when stakeholders are not able to call for accountability, because of a lack of influence in their relationships with the corporation. Such stakeholders could be understood to be left with engagement approaches that favour corporate strategy, under the conventional corporatist view of stakeholder theory. In such engagements, stakeholders may be understood to have resigned to a corporate dominance.

Such references to the relative power attributes of a corporation and stakeholders might be understood to signify that stakeholders are in some measure oppressed by the strategic purposes of corporate agendas. This assessment of the relationship between corporations and stakeholders can be appreciated from the stance of the theoretical framework proposed by Freire (1970; 1998; Freire & Macedo 2000). For Freire, emancipation from dominant regimes, such as those posed by some corporate agendas, was possible through “conscientization”. This was the process by which those who were oppressed through a dominant social force became aware of that reality, as a step towards responding to it by fabricating their own “liberating idea” (Freire, 1998, p. 516). By extrapolating such Freirean concepts to the corporate landscape, the flexible and dynamic nature of multi-stakeholder relationships inherent in the open-system stakeholder networks would appear to offer scope for the “conscientization” of any oppressed stakeholders (Borg & Mayo, 2000). The suggestion is that this would seem possible through interaction between stakeholders across networks (Garvey & Newell, 2005), and with some stakeholder involvement in any of the activism activities proposed by Utting (2005a). Some support for the adoption of Freirean notions of “conscientization” and stakeholder empowerment through dialogue can be found in literature on management and social development (Steingard & Fitzgibbons, 1995; Frame, 2005).

To progress and jurisdictionally focus this discussion of CSR concepts and stakeholder engagements, the following section highlights the practice of CSR in the Australian context.

### **3.5 Corporate responsibility in Australia**

The conceptualisation and practice of CSR and corporate citizenship in Australia can be understood to be at a rudimentary stage (Batten & Birch, 2005; Anderson & Landau, 2006), especially in comparison with the United States and the United Kingdom which Australian business might take as its points of reference (Moon, 1995). Contributing to this, Australian public policy in the area of CSR “is minimal”, according to Zappala (2003, p. 20)

The practice of CSR in Australia appears to concentrate on initiatives that embody the self-regulation phase of CSR practice, as proposed by Utting (2002) and discussed at Section 3.3.2. Such initiatives feature voluntary practices that include:

... incorporating CSR into mission or policy statements; business ethics programs; employment policies; “green” policies; quality and environmental standards ... social and environmental reporting; philanthropy ... (Anderson & Landau, 2006, p. 20)

This supports a tendency in Australia for CSR to focus on setting guidelines and reporting standards (Golob & Bartlett 2007). Additionally, while cause-related marketing is also a feature of CSR practice in Australia (Kropp, Holden & Lavack, 1999), there is some emphasis on a philanthropic approach. This is perhaps fuelled by the Prime Minister’s Community Business Partnership program (Anderson & Landau, 2006). The goals of that body have been articulated as “identifying and addressing incentives and impediments to corporate social responsibility and encouraging a culture of giving in Australia” (Commonwealth of Australia, 2007).

Such focus on “giving” has led to some interest in CSR from groups that might be considered the beneficiaries of corporate philanthropy, and attention has been given to philanthropic attitudes in literature. For example, Cronin (2001) has listed several “CSR options” in the Australian context, including: sponsorships, financial contributions, gifts in kind, cause-related marketing, employee volunteering and partnerships (2001, pp. 14 & 15).



Australian Federal government policy has been heavily implicated in the under-developed state of CSR in Australia. According to Lucas (2004), the government has shifted the burden of social responsibility onto business, as part of the transformation of Australia's welfare state. This governmental trend towards deflecting – to business – the task of tackling social agendas appears most recently in the Federal government's Parliamentary Joint Committee Report on corporate responsibility (Commonwealth of Australia, 2006). For example, two of the Report's recommendations can notably be seen to call on the corporate sector for better attention to CSR:

Recommendation 14: The committee recommends that investors, stakeholders and relevant business associations should encourage companies to include long term (beyond a three to five year timeframe) and corporate responsibility performance measures as part of the remuneration packages of company directors, executive officers and managers (2006, p. 146) ...

Recommendation 17: The committee recommends that the proposed Australian Corporate Responsibility Network publicise and promote best practice examples across the spectrum of corporate responsibility activities and across industry sectors (2006, p. 150)

This attitude of “deflecting” the pressures exerted by socially inspired agendas has already been alluded to (in Section 3.3.2) as one of the corporate sector's “inadequate responses” to CSR. While it was suggested, there, that *corporations* adopted that type of defensive attitude to CSR, the point here is that the Australian Federal government can also be understood to take a similar attitude to CSR.

In relation to governmental involvement in CSR practice, Zappala (2003, pp. 10-17) has identified four separate public policy approaches to corporate citizenship:

1. Do nothing: this view is supportive of Friedman-like views (Friedman, 1970) which argue that governments should not be involved with anything that might divert corporations from pursuing maximum returns for shareholders.

2. Regulation and legislation: said to be the approach preferred by NGOs, this view concentrates on requirements such as mandatory social and environmental reporting.
3. Non-regulatory activism: this view contemplates that government will provide for CSR support and development, although CSR will generally be a voluntary activity.
4. Demonstrator of best practice: under this view, government not only engages its own “triple bottom-line” reporting, but it also requires CSR strategies from its partners, for example in procurement and tender arrangements.

From this perspective, the 2006 Parliamentary Joint Committee Report on corporate responsibility is particularly telling of the government’s stance on CSR. The Report recommended no regulatory or legislative changes, suggesting that the government’s preferred public policy approach is the one identified by Zappala (2003) as “do nothing”. Interestingly, this view was said to be associated with the position taken by critics of CSR (Zappala, 2003, p. 10). If this perspective on the government’s attitude can be accepted, it appears that the government’s stance has some of the attributes of greenwash rhetoric. At Section 3.3.2 it was said that this involves the “dissemination of (dis)information” in ways that enable a corporation to claim an allegiance with the political thrust of an environmental (or social) agenda, while at the same time *acting* in ways that do not wholly support that (Greer & Bruno, 1996). The point here is that the Federal government’s approach to CSR embodies aspects of this approach.

This can be contrasted with the approach of the UK government. There, the government has been found to have been influential in driving CSR in that country through “ministerial leadership; stimulating new and existing business associations; and subsidising CSR activities and organisations” (Moon, 2004, p. 7-8).

Nonetheless, at the corporate level in Australia, literature on the practice of CSR indicates that there is little corporate involvement in on-going CSR commitments. The practice is largely limited to one-off strategies (Lucas, 2004; Batten & Birch, 2005; Anderson & Landau, 2007), and generally “dependent on the vision of senior management” (Batten & Birch, 2005, p. 305).

To the contrary, literature suggesting a “discernible shift” towards CSR in Australia has been given little weight by Anderson & Landau (2006):

In their report on CCI [corporate community involvement] commissioned for the Prime Minister’s Community Business Partnership in 2005, Loza and Ogilvie [2005] conclude that “there seems to be a growing commitment by the business sector, overall, to pursue policies, make decisions and follow directions and actions that are congruent with the overriding objectives and values of the societies in which that business is embedded”. The authors, however, fail to provide convincing evidence for this assertion (Anderson & Landau, 2006, p. 25-6).

The nature of this reference by Anderson and Landau (2006) to the government-commissioned report might be taken to suggest a suspicion that the favourable comments in the 2005 report could have been perceived to be influenced by a government agenda. Consistent with this, the scant literature on CSR practice in Australia can be understood to contribute to the under-developed state of CSR in the country.

There have been some attempts over the last decade to assess the extent of commitment to CSR among businesses in Australia. These studies have generally suffered from considerable weaknesses, not least of which are the tendency of many authors to rely upon annual reports and other company documents, some of which may be aspirational in nature (Anderson & Landau, 2006, p. 28).

### ***3.5.1 Social responsibility in NSW clubs***

Problem gambling is a prominent social issue facing New South Wales registered clubs, the State government and the community. Chapter 2 has detailed the measures adopted by government and the club sector to address problem gambling. Government policy (*Towards a Culture of Responsibility in Gambling*, DGR, 2005) involves the promotion of responsible gambling through:

- Gamblers making “informed decisions” about gambling;
- A safer gambling environment for people who choose to gamble; and
- More effective and efficient help services.

This reference to “a safer gambling environment” can be understood to refer to the program of harm minimisation strategies in gambling venues that relate mainly to the attributes of the gambling facilities (as discussed in Section 2.7). Otherwise, the government’s policy can largely be taken to concentrate on gamblers’ behaviours, and the expectation that through “informed decisions” gamblers will assume “responsibility” for their own behaviours. This can be understood to attribute to individuals accountability for any level of gambling activity that might be considered problem gambling.

Since the publication of the Productivity Commission Report on Australia’s Gambling Industries in 1999, there has been a steady stream of commissioned literature on gambling in NSW and the club sector. (These are discussed at Section 2.5). These can be taken to indicate a level of turbulence in the gambling and clubs sectors.

The unsettled nature of existing public policy and business management programs for problem gambling calls attention to Zadek’s explanation of the Four Stages of Issues Maturity (2004; 2005).

Just as businesses learn and change their approach to dealing with issues, so does society as a whole (Zadek, 2005, p. 18).

Table 3.5 details the four stages of issue maturity “which can be used by any company facing any number of societal issues” (Zadek, 2004, 128)

Stage of issue maturity	Characteristics
Latent	<ul style="list-style-type: none"> <li>• Activist communities and NGOs are aware of the societal issue</li> <li>• There is weak scientific or other hard evidence</li> <li>• The issue is largely ignored or dismissed by the business community</li> </ul>
Emerging	<ul style="list-style-type: none"> <li>• There is political and media awareness of the societal issue</li> <li>• There is an emerging body of research, but data are still weak</li> <li>• Leading businesses experiment with approaches to dealing with the issue</li> </ul>
Consolidating	<ul style="list-style-type: none"> <li>• There is an emerging body of business practices around the societal issue</li> <li>• Sector-wide and issue-based voluntary initiatives are established</li> <li>• There is litigation and an increasing view of the need for legislation</li> </ul>
Institutionalized	<ul style="list-style-type: none"> <li>• Legislation or business norms are established</li> <li>• The embedded practices become a normal part of a business-excellence model</li> </ul>

Table 3.5 Four Stages of Issue Maturity  
(Zadek, 2004, p. 128)

As discussed in Section 2.7, attitudes of “responsibility” for poker machine gambling in clubs do exist in New South Wales, evidenced not least by the titles given to prominent State reports on gambling (*Gambling: Promoting a Culture of Responsibility* (IPART, 2004) and *Towards a Culture of Responsibility in Gambling* (DRG 2005)). These reports can be understood to have manoeuvred the notion of responsibility to deflect it towards individual gamblers (as outlined earlier in this Section), and this is relevant to the Utting (2005a) proposition discussed at Section 3.3.2. Faced with societal pressure for social responsibility, the corporate response can sometimes be to mobilise the pressure in ways that advantage the “corporate” perspective. This draws attention to the heavily politicised nature of gambling in the State, and the thesis Preface can be taken to evidence something of the media approach to poker machine gambling in clubs. In these circumstances, NSW society could be understood to be at Zadek’s “Emerging” stage in its approach to the issue of problem gambling in clubs.

This construction of the existing status of problem gambling suggests that this study's multi-stakeholder investigation of the issue should be anticipated to identify particular tensions among stakeholders, and some evidence of the politicised stance. With reference to the Zadek formulation more specifically, the research could also be anticipated to perhaps identify examples of experimentation by "leading businesses" in their approach to dealing with problem gambling.

Additionally, social responsibility for problem gambling in the New South Wales registered club sector requires attention to sector-level considerations. There can be understood to be two sectors involved: first, the registered club sector and, secondly, the larger gambling sector, which includes gambling venues other than clubs, and forms of gambling other than poker machines. (These are explained at Sections 2.3 and 2.5.)

Nonetheless, sector-level CSR has been claimed to be of increasing importance and "the next generation of business activity" (Draper, 2006, p. 409). From that basis, Draper has detailed five models for taking an industry-wide approach to CSR: these are explained in Table 3.6.

Model	Explanation
Vision Model	In this model, a vision of a sustainable industry is developed, preferably in conjunction with stakeholders. The vision provides longer-term goals for a sector to work towards and in so doing identifies the key challenges for the sector to focus on. An action plan is then developed for the industry to progress, either as individual companies or through sector-wide voluntary standards.
Leadership Model	One company is a pace in front, and the rest of the sector follows its leadership example. This model plays to the natural environment of business with competitive advantage of its heart. It works well when there is a strong business case for action and some real opportunities. The model also benefits from more than one company being out in front.
Thematic Partnership/ Market-based Model	This model becomes relevant when an industry-wide issue presents itself, and it is critical for the industry to collaborate in response. The industry then has two choices: either hope that the issue will go away, or find a solution that may bring market rewards. In that case, an effective solution will often lie in cross-sector partnerships.
Political Model	Policy interventions, especially regulation or fiscal incentives, are arguably the most steadfast intervention to shift a sector. In this model, a regulatory action can result in an improvement in the minimum performance across the sector.
Education Model	While changing people's values, aspirations and behaviours are necessary for successful organisational change, sectors have their cultures too. These are frequently reinforced at an early stage during the education of their professionals. There is an opportunity for sectoral transformation if sustainability is incorporated into the curriculum on professional courses.

**Table 3.6 Models for an industry-wide approach to CSR**  
(Draper, 2006, p. 411-415)

Draper suggests that the optimum approach is to draw on each model in order to adopt a combination of approaches. So, with access to each model, she has proposed the following five steps to sector change (2006, p. 417-418):

1. Develop a shared vision among stakeholders
2. Identify what might be taken as the minimum standards across the sector; and this could be enshrined in legislation
3. A small number of companies take a leading role in approaching the vision

4. Likely opportunities may be identified to tackle specific issues
5. Incorporate education into other levels in the sector

As pointed out in Chapter 2, clubs take a defined place in the Australian cultural landscape and, given Australians' predilection for gambling, poker machine gambling in clubs can be seen to occupy a sufficiently identifiable position as to enable an industry-wide assessment of the phenomenon. The Draper formulation can therefore be understood to offer scope for a useful investigation and analysis of the sector. On that basis, the discussion of literature in Chapter 2 might be understood to suggest some aspect of the "Vision" model, in that the more recent government-sourced reports about gambling in clubs appear to indicate some appreciation of a vision for a "sustainable industry", and the consultative nature of that reporting allows an understanding of stakeholder involvement in that. However, consideration of the components of such "vision" (as outlined in Table 3.6) suggests a weak association of the sector with that notion, according to the literature. Such foreshadowing of the Draper models indicates that analysis of the research data could take a watchful approach to any further indicators of the "Vision" model.

### **3.6 Chapter conclusion**

Management literature can be seen to provide access to several different notions of corporate social responsibility and related concepts about "business in society". While this chapter has concentrated on the *practice* of CSR and corporate citizenship, central to the discussion has been Utting's (2002) formulation of a chronological transition in the practice of CSR. Strong support can be found in the literature for the practice of CSR in the "self-regulation" phase. In this phase, corporations are left to voluntarily adopt responsible practices, on their own. But that can lead to inadequate corporate responses. This is because corporations can sometimes be motivated to deflect or dilute the social agendas; they can "influence, control and lead" such agendas in ways that advantage corporate strategy; or corporations can also engage in a type of greenwash rhetoric which



enables them to claim an allegiance to a social (or environmental) agenda, while *acting* in ways that do not support that.

The central thrust of this chapter is its articulation of an alternative paradigmatic formulation of stakeholder theory. This is more expansive than the conventional hub-and-spoke approach. The alternative perspective has a wider community context, and exists in a densely populated constellation of multiple stakeholder networks. In this way, stakeholders do not engage with a corporation in the corporation's frame. Instead, as one of many players in the multi-networked constellation, any entity that might otherwise have been conceived to be a "stakeholder" of a corporation can engage with the corporation – and equally with others in its own self-centric stakeholder network – in the frame of its own strategic purpose. Accordingly, stakeholders then have scope to form connections and relationships with others as part of their strategies for engaging with the corporation.

This formulation of stakeholder theory allows access to the notion of corporate accountability. With its emphasis on multi-stakeholder initiatives and on partnership and participative processes, the joint development of sanctions means that corporations can be accountable for their declared social aspirations. Gramscian and Freirean theoretical frameworks were applied to develop propositions about how stakeholders may influence the engagement with corporations.

The chapter has concluded with a discussion of CSR in Australia, and Federal government policy was claimed to be implicated in the under-developed state of CSR in Australia. The chapter has concluded with specific mention of social responsibility in the context of New South Wales registered clubs.

The following chapter will now explain the methodological framework of the research. There is discussion of a "learning history" approach to organisational learning, which was the framework adopted to bring participants together in a structured format, on the issue of poker machine gambling in registered clubs. That chapter discusses the basis

upon which participants were recruited, in their capacities as stakeholders around the issue of gambling in clubs, and the discussion goes on to explain the methods used to study the participants' interaction and engagement with each other.

## CHAPTER 4

### DISCOVERING STAKEHOLDER PERSPECTIVES AND STIMULATING COLLABORATIVE INTERACTIONS

	<i>Page</i>
4.1 Chapter introduction .....	93
4.2 Epistemological frame .....	93
4.3 Selection of the methodological framework .....	94
4.3.1 Multi-stakeholder engagement and action research .....	96
4.3.2 <i>Learning history</i> and organisational learning .....	97
4.3.3 Characteristics of the <i>learning history</i> approach .....	99
4.4 Adapting the <i>learning history</i> approach to this study .....	101
4.4.1 Strategy for recruiting co-researchers .....	103
4.4.2 Strategy for interviewing the co-researchers.....	104
4.4.3 Strategies for capturing learning .....	106
4.4.4 Anticipated obstacles to achieving research outcomes .....	108
4.4.5 Adapting the five-step <i>learning history</i> process .....	111
4.5 Discovering the co-researchers' perspectives.....	111
4.5.1 Recruiting co-researchers .....	111
4.5.2 The participant co-researchers .....	113
4.5.3 Non-participants in the research .....	114
4.5.4 Interviewing the co-researchers .....	116
4.5.5 The Research Journal .....	117
4.6 Stimulating collaborative interactions among co-researchers .....	119
4.6.1 Preparation of the Discussion Document .....	119
4.6.2 Text of the Discussion Document .....	121
4.6.3 Convening the co-researchers' forum .....	126
4.7 Analysing the research data .....	128
4.8 Research rigour and quality issues .....	132
4.9 Ethical issues in the research .....	134
4.10 Chapter conclusion .....	136

## **4.1 Chapter introduction**

This chapter explains the methodological framework of the study and the methods used to gather research data. The previous chapter described the theoretical constructs that frame the research, with particular attention to stakeholder engagement and corporate social responsibility. Before that, Chapter 2 laid out the characteristics of machine gambling in registered clubs and provided the background of the discipline field of the study. Now, this chapter focuses on the methodology and methods adopted to conduct the research in the context of those theoretical constructs and the discipline field as previously discussed. This chapter goes on to explain the approaches used for analysing the data, and also discusses issues relating to research rigour and quality. The chapter concludes with a discussion of the ethical issues in the research.

To follow this chapter, Chapters 5 and 6 document the research data. Following the adoption of the data collection methods explained in this chapter, Chapter 5 lays out the various perspectives of the research participants on problem gambling, and Chapter 6 focuses on the interactions and discussions among them, in the course of the study.

## **4.2 Epistemological frame**

The literature has drawn attention to the naturally occurring dominant influences of business and corporations (discussed in Section 3.4.4) and, from a Gramscian perspective (Utting, 2002; 2005a), there is scope to acknowledge the privilege often uncritically accorded corporations (Solomon, 2004, discussed in Section 3.4.2). Moreover, the literature also points to a political dimension of gambling in clubs (discussed in Section 2.10), and this can be seen to underscore the tendency for economic interests – albeit in the form of commercially oriented clubs – to exert their influence against those who wear the negative impacts of clubs' gambling activities.

Thus, research into the phenomena of gambling in clubs should be understood to be tainted by commercially rooted political influences and, given the plight of those

negatively affected by gambling, by matters of social justice. The stance taken in this study is asserted to be beyond and blatantly unconcerned about “traditionalist ideas of objectivity and truth” (Angen, 2000, p. 379). The focus is more on appreciating the realities of those involved in the phenomena.

On that footing, the study can be seen to engage an interpretative epistemology in ways that peculiarly acknowledge the interactions between “the knower and known” (Denzin & Lincoln, 2005a, p. 22) and, equally, characteristically recognise that each shapes the other. Thus, the research avidly stands on one side of the “great divide” identified by Lincoln and Denzin (2005, p. 1123) with its “socially and culturally responsive, communitarian, justice oriented” approach.

Emphatically, the research takes its epistemological frame from a critical “orientation towards investigating exploitation, repression, unfairness, unsymmetrical power relations ... distorted communication and false consciousness” (Alvesson & Deetz, 2005, p. 62, 63).

### **4.3 Selection of the methodological framework**

In developing the methodological approach for this study, I referred to the research question which was introduced in Section 1.3:

In what circumstances can structured stakeholder interaction around the various perspectives on the issue of problem gambling in NSW registered clubs offer an environment in which clubs (or any of the other stakeholders) might act or engage differently, so as to lead to a socially responsible approach to the management of poker machine gambling in clubs?

The pertinent elements of the question are taken to be: (i) the multiple perspectives of clubs and stakeholders on the issue of problem gambling, and (ii) the interactions and engagements among them. Thus, in view of these elements, it was important that the methodological dimensions of the study should accommodate an exploration of stakeholders’ multiple perspectives of problem gambling, and also offer a stimulus for

stakeholders to interact and engage with each other on that issue. Following from this, the methods of gathering research data would need to be appropriate for determining the stakeholders' various perspectives; and the methods should also enable an investigation into the nature and characteristics of the "structured" stakeholder interactions and engagement.

With these features, it was appropriate to locate the study within the vast and wide-ranging literature on action research (see for example, Torbert, 1991; Heron, 1996; Brydon-Miller, Greenwood & Maguire, 2003; Kemmis & McTaggart, 2005; Reason & Bradbury, 2008). Defined as a "participatory process concerned with developing practical knowing in the pursuit of worthwhile human purposes" (Reason & Bradbury, 2008a, p.4), action research has been expressed, in general terms, to constitute a series of cycles of participant engagement so that each cycle involves elements of planning, action, observation and reflection (Kemmis & McTaggart, 2005, p. 564-565). More specifically, Reason and Bradbury (2008a, p. 3-4) identified the following five characteristics of action research. According to these authors, action research involves:

- Action resulting from people's responses to issues;
- Collaborative engagement among people;
- Disparate ways of knowing;
- Recognition of issues of significance to people; and
- An emergent process that can change in the course of the engagement.

The legitimacy of action research as a creditable research methodology and practice is now well settled (Bradbury & Reason, 2001; Brydon-Miller, *et al*, 2003; Denzin & Lincoln, 2005a), and the action research paradigm is clearly understood to offer a suitably valid and worthy methodological framework for research in organisational settings (Reason & Bradbury, 2008b).

### ***4.3.1 Multi-stakeholder engagement and action research***

Given the characteristics of action research identified by Reason and Bradbury (2008a) and in the context of the methodological dimensions of the study, both outlined in Section 4.3 above, the action research paradigm or methodology was taken to be a particularly useful frame in which to conceptualise the research. This is noticeably because of the study's focus on the different perspectives of stakeholders, and its contemplation of interaction among stakeholder participants. But action research is represented by a broad range of branches or traditions, and something of the breadth of this range can be appreciated from the vast collection of topics appearing in a selection of the seminal publications on action research and qualitative research methods (see for example, Reason & Bradbury, 2001; Denzin & Lincoln, 2005; Stringer, 2007; Reason & Bradbury 2008; as well as the journals which give specific attention to action research, *Action Research Journal* and *Systemic Practice and Action Research Journal*).

With this study's focus on contemplating and understanding learning and change resulting from interactions among multiple stakeholders, there are several action research branches or traditions that offered methodological support for the study's investigation of the research question. These branches or traditions include:

- Action learning. This has been described as a “general theory of human action” (Pedler & Burgoyne, 2008, p. 320) in which people come together to learn from others' experiences (Revans, 1980, p. 5).
- Action inquiry. This is a research practice based on the notion that all actions are also inquiries which can uncover knowledge (Torbert, 2001).
- Participatory action research. This involves community-based research projects in which there is a “shared ownership” of the research (Kimmis & McTaggart, 2005, p. 560), and which often carries a political response to conventional attitudes (Fals Borda, 2001).

- Co-operative enquiry. This is research conducted “*with* people rather than *on* people” (Heron & Reason, 2001, p. 179), so that those involved in the research, including researchers and participants, all identify as “co-researchers” (Heron, 1985; 1996).
- Transparent research. This research is conducted in partnership with the participants to be studied, so that both researchers and participants are all involved in the research design and in collecting and reviewing data (Milofsky, 2000).

This study can claim to make connections with each of these branches or traditions of action research and, having established these methodological connections, I then commenced the task of designing suitable research strategies and establishing appropriate methods to gather data that would correspond with and support the methodological framework. For this, I drew on and adapted an action research practice known as the *learning history* approach (Kleiner & Roth, 1997; Bradbury & Mainemalis, 2001). This is a collaborative group-learning process that draws on the disparate perspectives of the learning group. In its early phases, the learning history approach documents a “jointly-told tale” of these disparate perspectives, and the document so constructed is then used to focus the group on reflection and discussion, with the intention of producing a learning outcome (Bradbury, 2001; Roth & Bradbury, 2008).

#### **4.3.2 Learning history and organisational learning**

Essentially, the learning history approach enables “lessons of the past [to] be ‘processed’ by an organization so that they are translated into more effective action” (Kleiner & Roth, 1997, p. 173).

Developed during the early 1990s in the Sloan School of Management at the Massachusetts Institute of Technology, the *learning history* approach first appeared in



management literature towards the middle of that decade, at a time when the process was apparently used to support a management consulting function (Roth & Senge, 1996; Kleiner & Roth, 1997). Since then, applications of the *learning history* process have expanded through its exploration in doctoral studies from universities in North America and the United Kingdom (for example, Bradbury, 1998; Shah, 2001; Peers, 2002), and through its introduction to a wider management and academic discourse (Bradbury & Lichtenstein, 2000; Bradbury, 2001; Bradbury & Mainemelis, 2001; Roth & Bradbury, 2008). Also, as an indication of its broader application, the *learning history* process is recorded to have been adapted into a Scandinavian “form and format”, in a management consulting context (Royrvik & Bygdas, 2002).

The work of the Sloan School of Management was recorded to have developed into a global context, the *Society for Organizational Learning* (SoL), which is a network of “practitioners, researchers [and] capacity builders”, including consultants, whose purpose is as “an action learning community ... to discover (research), integrate (capacity development) and implement (practice) theories and practices of organizational learning” (Society for Organizational Learning, 2005). The SoL’s website carries details and explanations of the *learning history* process, and this would seem at least to expose the practice to an international audience.

These depictions of the *learning history* approach are taken to suggest a preference for its application as an in-house data-gathering or change management tool used by managers, or as a technique used in management consulting (Roth & Bradbury, 2008). Such “insider/outsider” contexts (McArdle, 2008, p. 604) for using *learning histories* can be understood to contemplate a motivated researcher, someone who can be seen to be an “outsider” from the organisation or from the issue to be investigated, but one who is inclined to engage targeted “insider” participants in a facilitated group-learning process to achieve a learning outcome. While it is clear that the process has its genesis in organisational learning, the focus has been on *intra*-organisational learning (Bradbury, 2001; Roth & Bradbury, 2008), rather than learning across organisations in an *inter*-organisational context.

### 4.3.3 Characteristics of the learning history approach

According to Roth and Bradbury (2008, p. 351), there are four elements to the design criteria for a *learning history*:

1. Multi-stakeholder co-design around notable accomplishments.
2. Insider/outsider teams leading reflective interviews.
3. Distillation and thematic writing.
4. Validation and diffusion with original participants and salient others.

A distinction can be drawn between this articulation of a *learning history* process, and the document used to “distil” the stakeholder perspectives, which document is also referred to as a *learning history* (see for example Kleiner & Roth, 1997). With that distinction, as an organisational “tool to solve the conundrum of collective learning”, a *learning history* document is a two-column written account and commentary of the disparate perspectives and assumptions about “a set of critical episodes” occurring within an organisation (Kleiner & Roth, 1997, p. 173). While there can therefore be a tendency to see *learning histories* as a functional product of collaborative activity, their real force lies in their use as a process to achieve group learning outcomes, through reflection and discussion (Bradbury & Mainemelis, 2001).

Drawing on Kleiner & Roth (1997; 2000), Peers (2002, p. 44) outlined the following five steps in the *learning history* process:

1. Planning and data gathering: asking for the “noticeable results” in the group’s history and gathering data through reflective interviews and reviewing past documents.
2. Distilling the material into some themes and stories.
3. Writing a short document highlighting the narration from participants and providing a commentary on the themes and discussion points.
4. Validation through checking the documents with the people interviewed and the group as a whole to ensure that it is accurate.
5. Dissemination of the document and discussion to build a better understanding of the group’s history.

Thus, the aim of the *learning history* approach is to inspire communication and interaction among participants in an effort to stimulate a learning outcome. According to Kleiner and Roth (1997), the purpose of the *learning history* is to identify recurrent themes, to question assumptions and implications and to raise “undiscussable issues” (p. 176).

In such circumstances, the document that is to represent the “jointly-told tale” of the participants can be seen to provide the impetus for their interaction, reflection and learning. According to Roth (1996), the *learning history* document is constructed from “real life” and can include interviews and other artefacts that will assist to elucidate the “tale”. These materials are accumulated into what Roth called “a mess of stuff”, and the materials are mined for their themes and issues in order to construct the document.

In explaining the format of the *learning history* document, Royrvik and Bygdas (2002) proposed that it would have four sections:

1. The “curtain raiser”: acting as an introduction, this begins the “story”, and is analogous to the opening sequence of a film.
2. The “nut ’graf” and exposition: adopting journalistic jargon for “the kernel paragraph”, this is intended to provide the thematic focus of the document and to set out its main points.
3. The “plot” or chronological history: this can be arranged in two columns; one uses quotes from the participants to tell their “stories”, and the other column synthesises or interprets the materials, with analysis, generalisations and questions.
4. The “closing”: acting as a conclusion of the document, this is intended to shape the future direction of the communications between participants.

This discussion of the *learning history* approach provides the backdrop to the following explanation of its adaptation to this study.

#### **4.4 Adapting the *learning history* approach to this study**

This section explains how the *learning history* approach was adopted for this study into the social responsibility of registered clubs for problem gambling. Thus, the focus of this section is on the design of this study. Following explanation of this, there is a discussion of the obstacles that were anticipated as a result of adopting these research strategies; and the sections which follow this then explain how that research design was implemented.

Unlike other applications of the *learning history* approach, this study contemplates an *inter-organisational* context for the research. It is stakeholders around the issue of social responsibility for problem gambling in clubs that were to take the role of research participants; whereas in the earlier formulations of *learning history*, the participants were mostly drawn from the organisation where learning was to surface.

Thus, the nature of the participant-stakeholders' relationships with each other and with the organisation to be studied represent a significant variation from the *learning history* approach as previously formulated. Compared with *intra-organisational* participants, the stakeholders in this study, who are without any shared pull towards a larger organisational commitment and loyalty, could be anticipated to be somewhat less motivated towards collective group learning outcomes.

To address this, two strategies were developed for this study in order to garner stronger participant support for the research. First, with connections to the tradition of action research known as co-operative enquiry, this study was designed as research “*with* people rather than *on* people” (Heron & Reason, 2001, p. 179). In this way, the research participants would be referred to as “co-researchers” (Heron, 1996) and, in accordance with that, the participants in this study are hereafter referred to as “co-researchers”.

Secondly, drawing on aspects of the action research tradition known as transparent research (Milofsky, 2000), this study's design contemplated that the participant co-researchers would be invited to take an active role in determining and implementing the

research activities and, in some cases, the research strategies. Therefore, it was proposed that at any of various “choice points” along the research journey (Bradbury & Reason, 2001), the transparent collaborative nature of the co-researchers’ agreed participation in the research would enable them to contribute to decisions about how the research would be progressed, and about analysis of the research outcomes.

On this basis, I designed the study around a series of interviews of the co-researchers, which would be intended to draw out their perspectives on the social responsibility of clubs for problem gambling. The interviews would be used to form the foundation for the *learning history* document that is a feature of the *learning history* approach. After constructing the document, my intention was to validate it by asking each of the co-researchers to review and verify those portions of the document that bore on the relevant co-researcher’s perspectives. I proposed to make it clear to the co-researchers that the document would be used to generate discussion among them at a series of “dissemination” forums, which would involve the participation of all the co-researchers.

I proposed to make comprehensive field notes and personal memos and reflections of my meetings and telephone discussions with the co-researchers, as well as prospective co-researchers and other industry representatives, and to keep copies of all my written communications with them. I intended to maintain these documents in a Research Journal, and my written records and reflections of the co-researchers’ interactions with each other at the dissemination forums were anticipated to be an important element of the Journal. Still, I proposed to make the Journal comprehensive and to incorporate a vast array of materials pertinent to the research, including my reflections about all aspects of the research, copies of any materials that might have seemed relevant to the study at any time including media, trade and government reports and announcements bearing on the issues involved in the study, as well as references to academic literature. I anticipated that the Research Journal would be voluminous, but would follow a chronological order.

To further articulate the research design, the following discussion lays out the strategies for recruiting and interviewing the participant co-researchers, and for capturing the group's learning about social responsibility for problem gambling.

#### ***4.4.1 Strategy for recruiting co-researchers***

The target population from which the co-researchers were to be recruited (Hair, Money, Samouel & Page, 2007) included any of the stakeholders in poker machine gambling in the club sector, as listed in Section 2.4. This was made up of a wide range of organisations which included clubs, the club sector peak bodies, poker machine manufacturers (and their peak body), State and local government, gamblers and community support groups, problem gambling counselling services, welfare groups and a community welfare peak body. I anticipated that each of the participating co-researchers would have a professional affiliation with any of these stakeholder organisations.

The technique for recruiting the co-researchers involved a combination of handpicked and snowball sampling methods (O'Leary, 2004). The stakeholder organisations (from which co-researchers would be recruited) were to be identified initially as those having a measure of community or media profile in the registered club or the gambling sectors. I anticipated that these profiles could be expected to indicate that such organisations were active in the club or gambling sectors and, with that, the co-researchers' experiences – their *histories* – had the potential to make useful contributions to the research. I proposed to search newspaper reports to “handpick” such prospective co-researchers from among any of the stakeholders in the target population. I expected that these searches would be more likely to identify prospective co-researchers from among the club sector, the club sector peak bodies or from among counselling or other problem gambling support services.

I intended to approach such prospective co-researchers in order to invite them to participate and, in the course of my communications with them, I would ask them to nominate others who might be interested to participate in the research. I anticipated that

this snowballing method could be expected to source other co-researchers with whom those already recruited may have had a professional relationship or acquaintance. If that was the case, I expected that this type of relationship could be assumed to hold the potential for easier and more productive learning collaborations among the co-researchers.

Because the research design anticipated that the co-researchers may be called upon to engage with each other on a number of different occasions, it seemed important to keep the size of the research sample to a number of co-researchers that would more easily enable them to interact. For this reason, I proposed to establish the initial learning group with no more than 12 co-researchers, although I anticipated that the constitution of the group may change from time to time, as the research progressed.

#### ***4.4.2 Strategy for interviewing the co-researchers***

The interviews of co-researchers were crucial for eliciting their various perspectives on social responsibility and problem gambling. Accordingly, the design of the interview schedules and the strategies for conducting the interviews needed to ensure that the data so obtained authentically represented the nuances of the co-researchers' perspectives. The interview schedules were intended to discover the attitudes, opinions and beliefs of the co-researchers, because it was these that would be central to the "jointly-told tale" of the *learning history* document (Kleiner & Roth, 2000; Bradbury, 2001).

I anticipated that, during the interviews, a more conversational and informal tone was more suitable for yielding data about attitudes, opinions and beliefs (O'Leary, 2004). Also, I proposed to interview the co-researchers at a place chosen by them, in an attempt to enable them to feel more at ease in the interview, and therefore to encourage them to take a more open and forthcoming approach in their responses to the interview questions.

The interviews were designed around a semi-structured format, with a pre-determined questioning plan. For this, I developed three slightly different Interview Schedules: one for club co-researchers, another for community co-researchers and a different schedule

for government co-researchers. (These Interview Schedules are reproduced as Appendices 3, 4, and 5 respectively.) Yet another purpose of the conversational and informal tone in the interview was to accommodate a degree of flexibility that would enable me to make inquisitive probes of tangents and themes that might be opened up by the co-researchers during the discussion. I anticipated that the interviews needed to accommodate this type of flexibility into a more unstructured format. This was an important aspect of the interviews, and was taken to support the primary objective of understanding the co-researcher's attitudes, opinions and beliefs. There was a need to probe beyond the rhetoric of the co-researchers' "organizational identity" (Clegg, Rhodes & Kornberger, 2007), and to explore beyond the views they might have been expected to hold, or even would profess to hold, by virtue of their organisational personas.

The need to maintain the flexibility of allowing any interview to move into a less structured format was especially important because of the "transparent" nature of the research (Milofsky, 2000). Not only did the interviewing strategy need to allow for the inclusion and discussion of emergent themes, but under the transparent research approach, there needed to be openings for the co-researchers to raise and pursue themes not already identified in the Interview Schedules.

As outlined in Section 2.10, a large body of literature had already drawn attention to a diverse range of politically-laden views about social responsibility and problem gambling in the club sector (IPART Report, 2004). I therefore anticipated that the co-researchers' responses in the interviews could, in that case, be shaded with emotion in line with the political or controversial perspectives found in the literature. For this reason, I proposed to put my questions to the co-researchers in a "stem-plus-query" design (Cavana, Delahaye & Sekaran, 2001). This is a structure for open-ended questions which first gives the interviewee the topic or issue to be probed, before offering the question. Because I expected some controversy around topics to be discussed and the various co-researchers' differing views, this questioning technique was considered particularly appropriate to "soften" the question and to present the co-researchers with a less inquisitorial probe, especially in relation to their attitudes, opinions and beliefs.



#### 4.4.3 *Strategies for capturing learning*

Central to the *learning history* framework was the notion that any learning or change about the co-researchers' views could result from their discussions and interactions with each other; and the dissemination forums would provide opportunities for these discussions and interactions. What's more, the *learning history* document, which would be constructed from the various perspectives of the co-researchers, was intended to operate as the impetus for their discussions at the dissemination forums.

I anticipated that, in order to capture the interest and support of the co-researchers, all aspects of the study would need to avoid jargon, especially in the case of language that might be construed as academic or inconsistent with the perceived language of practice. For this reason, in my discussions with the co-researchers I intended to refer to the *learning history* document as “the Discussion Document”; and I proposed to refer to the dissemination forums more simply as “the forums” or “the co-researcher forums”.

- *The Discussion Document*

I anticipated that the co-researchers would take a pragmatic approach to the research and, in keeping with that, I expected that the Discussion Document would need to be to-the-point and could not be lengthy. Although the original Kleiner & Roth (1997) formulation contemplated that *learning histories* would vary in length from 20 to 100 pages, it seemed to me that in this cross-organisational study, the Discussion Document could be nothing like this size.

I was aware that, in the recent past, certainly since the release of the Productivity Commission Report into *Australia's Gambling Industries* in 1999, many of the co-researchers would have been deluged by the release of reports and research papers about the gambling industry, social responsibility and the club sector. (These are referred to in Chapter 2.) What's more, because clubs, problem gambling or social responsibility would form only part of any co-researcher's sphere of work, there would need to be a

clear imperative to minimize the size of the document. I proposed that there should be two objectives in the construction of the Discussion Document: (i) it should record the perspectives of all co-researchers, and (ii) it would need to be brief. I anticipated that this might have been possible because the matter of clubs' social responsibility for problem gambling had a relatively defined focus, as opposed to the much broader, fragmented nature of the wider gambling industry with its many different types of gambling in New South Wales (explained at Section 2.3). For these reasons, I proposed to keep the size of the Discussion Document to less than six typed pages.

- *Co-researchers' discussions and interactions*

The research design proposed that any learning by the co-researchers about social responsibility for poker machine gambling in clubs would be expected to result from their discussions and interactions. While references to “group learning” and a “learning network” appeared in the literature about *learning histories* (see for example, Bradbury, 2001), I anticipated that such language might be construed to be academic and impractical by the co-researchers: I therefore proposed to refer to the collaboration of the co-researchers more simply as a “network”.

- *Recording and analysing the learning outcomes*

In designing the study, I proposed that my Research Journal would record my descriptions and reflections of the outcomes of the co-researchers' discussions and interactions. Also, in keeping with the transparent collaborative nature of the study, I anticipated that the co-researchers could themselves be involved in the development of strategies for articulating, recording and analysing the learning to result from the co-researchers' discussions and interactions.

#### ***4.4.4 Anticipated obstacles to achieving research outcomes***

While designing the research, I considered the possible obstacles that could be encountered in attempting to achieve the intended study outcomes. This section discusses the obstacles I foresaw at the outset of the study.

I had anticipated that there might be a number of blocks or impediments to the ability of the research to genuinely engage the co-researchers in the reflection and discussion, which were required of the *learning history* methodology (Kleiner & Roth, 1997; Bradbury, 2001). I had recognised that the co-researchers' engagement – with the Discussion Document and with each other in the dissemination workshop – was crucial for a meaningful investigation of the research question. I anticipated the need for genuine engagement between co-researchers, but there seemed to be three possible impediments or blocks to this:

1. The co-researchers could be expected to have a degree of scepticism or exhaustion with problem gambling, social responsibility and the club sector. After all, these issues had been on industry, government and related-sector agendas for some years and, despite a seemingly incessant stream of reports, announcements and legislative developments (discussed at Section 2.7 and 2.8), there appeared to be no indication of significant future reform measures. Also, the political nature of some of the perspectives had already been identified (see Section 2.10) and, with the practice of the gambling industry sometimes providing research funding, I also anticipated some scepticism of professional researchers among those co-researchers who were not directly connected with the club sector or the gambling industries.

To address these concerns, I refined the research design so that the study's impositions on the co-researchers' – especially for their time – would be kept to a minimum. Thus, I proposed to make clear time boundaries for my interviews with the co-researchers and for their attendance at the co-researchers' forums. Also, these sessions would have definite agendas, and I intended to facilitate them so that any

variations from the agreed timeframes and agendas would be made with the agreement of those participating. At the same time, I anticipated some variations because, in keeping with the collaborative nature of the co-researchers' agreed participation in the study, the co-researchers would themselves be encouraged to determine and influence the research activities and strategies.

In the design phases of the research, I also considered the likely motivations of the co-researchers for their participation in the study. I recognised that some of the co-researchers, especially those from the community, welfare and charitable sectors, may have few opportunities to articulate their perspectives, especially for an audience consisting of engaged representatives of the clubs and gambling sectors. I anticipated that the research could be understood by such co-researchers to be a useful opportunity to voice their perspectives.

Equally, for co-researchers from the clubs and gambling sectors, I expected that there could be a strategic impetus for participating in the research. Social responsibility was already a dominant element in the community consideration of gambling in clubs (as discussed in Section 2.7), and representatives of the clubs sector may have been inclined to participate in order to take a more proactive stance on the issue of gambling reform in clubs. Also, I accepted the possibility that some club representatives may wish to participate in the research so as to improve their market knowledge of consumer sentiment about gambling.

2. I anticipated that there may be unequal power relationships among some of the co-researchers, and that this could impact the nature of the discussions and interactions between them. I found some support for this expectation in the discussion of the relationships of corporate stakeholders in Section 3.4. Also, from the critical perspective discussed in that section, I anticipated that co-researchers from the clubs and gambling sectors could be predominantly influenced by a corporatist, economic business point of view, which could operate as a perceived dominance in the dynamics among co-researchers.

However, the *learning history* process was taken to provide a useful framework for addressing these concerns. That process is premised on the articulation of the disparate perspectives and assumptions, and on a structured approach to the dissemination discussions, which are designed to allow all voices to be heard as part of the “jointly-told tale” (Bradbury, 2001). I therefore placed some reliance on the *learning history* approach to ensure that all perspectives could be heard, without being dominated by the more powerful influences of any of the co-researchers. I took the *learning history* methodology to be particularly appropriate to the critical framework of the study.

3. I anticipated that there could be some variations in the inherent reflective skills and abilities of individual co-researchers. In their discussion of organisational learning, Roth and Senge (1995, p. 95) drew attention to “wicked messes” which are characterised by research problems that carry two types of complexity. The authors referred to these as behavioural complexity (such as organisational change, human conflict and negotiation) and dynamic complexity (which included judgment and decision making).

The collaborative and cyclic nature of the *learning history* process was taken to offer a mechanism that could operate to reduce any disparities among the co-researchers to engage in the research territory of wicked messes. This is because the process could be understood to provide the co-researchers with opportunities to not only voice their different perspectives but, with the impetus of the Discussion Document, they would also have a structured format for participating in discussions and interactions that would enable some acknowledgement of their perspectives.

#### 4.4.5 Adapting the five-step learning history process

The five-step *learning history* process identified by Peers (2002), and discussed at Section 4.3.3, was incorporated into the study as indicated in Table 4.1. The table also outlines the sections at which these steps are discussed.

Five-step <i>learning history</i> process	Adaptation to this study
1. Planning and data gathering	Recruiting the co-researchers (Section 4.5.1) Interviewing the co-researchers (Section 4.5.4)
2. Distilling the material into themes	Preparing the “Discussion Document” (Section 4.6.1)
3. Writing a short document to provide commentary	
4. Validation through checking with participants	
5. Dissemination of the document and discussion	Convening the <i>Problem Gambling Network Forum</i> (Section 4.6.3)

Table 4.1 Adaptation of the five-step *learning history* process to this study (Adapting Peers, 2002, p. 44)

### 4.5 Discovering the co-researchers’ perspectives

This section outlines the steps I took to recruit the participant co-researchers, and explains how I interviewed the co-researchers to gather data about their perspectives of the social responsibility of clubs for problem gambling.

#### 4.5.1 Recruiting co-researchers

Using the recruitment methods outlined in Section 4.4.1, I approached a total of 24 different prospective co-researchers over a period of 14 months, commencing April 2004.

In each case, during an initial telephone conversation with each of them, I explained the aims and objectives of the research and, if they showed interest in participating, a time

was arranged for an interview and discussion about the research. In the initial telephone conversation, I informed the prospective co-researcher that the aim of the research was to enlist the support and advice of “co-researchers” consisting of a small group of eight to 12 expert people who had specialised knowledge or experience of any of the various aspects of gambling or social responsibility in the club sector. I explained that the research focused on those themes which were being addressed in contemporary industry, government and academic literature: that is, the social responsibility of clubs for problem gambling. I informed the prospects that, as part of the research, the co-researchers would be invited to share their views and perspectives on these issues – based on their individual knowledge and experience – and to participate with each other in a small number of workshops or forums to discuss and contemplate the difficulties facing clubs in managing their social responsibilities for problem gambling.

I explained that, in recognition of the expertise of the co-researchers, especially on the various aspects of problem gambling and the club sector, the study would adopt a “transparent research” approach (Milofsky, 2000). This meant that, while there were some broad parameters to the research process – such as co-researchers participating at an interview and at the subsequent workshops/forums – the co-researchers would be otherwise free to collectively direct how the research would be conducted. The co-researchers could therefore be as actively involved in the research activities and process as they chose to be and, in fact, they could even decide on how the conclusions of the research might be articulated.

For the co-researchers, as “expert” professionals in different aspects of the club sector or the gambling industry, I claimed that the research could offer them four significant pay-offs:

1. Each co-researcher would have the opportunity to articulate, for a small engaged and knowledgeable audience, their own perspective on the social responsibility of clubs for their gambling activities.

2. The research would give the co-researchers a corresponding opportunity to engage with the perspectives of other professionals and experts who had an equal commitment to better understand the issues.
3. Co-researchers would be at liberty to take any new understandings or relationships into their own professional practice or business.
4. Employing participative practices that could collectively meet the needs of the various industry stakeholders and interest groups, the research had the potential to enable the co-researchers to make a contribution to the formulation of new understandings about (and perhaps even mechanisms for) dealing with problem gambling.

I explained to the prospective co-researchers that my role in the project, as a doctoral student undertaking primary research, was to assist in facilitating the participative processes, to ensure the ethical completion of the research project and to document the research in a thesis. I assured the prospects that their involvement in the research – as well as the organisations with which they were affiliated – would be anonymous except that, because the research required the co-researchers to engage with each other during the study, only the co-researchers themselves would be aware of each other's identity.

#### ***4.5.2 The participant co-researchers***

Some 13 co-researchers were recruited for the study: they occupied a variety of different positions in organisations that would be considered stakeholders around the issue of the social responsibility of clubs for problem gambling. (Stakeholders are discussed in Section 2.4.) Six different stakeholder perspectives were represented by those who participated. To preserve the anonymity of the co-researchers and the organisations with which they were affiliated, this discussion concentrates on the stakeholder perspectives they represented, and the organisations are indicated by numerical code. Thus, the stakeholder perspectives and the organisations are:



Stakeholder perspective	Organisations represented
Registered clubs	Club 1 Club 2
Clubs sector peak bodies	Clubs Peak Body 1 Clubs Peak Body 2
Government	State Government
Community welfare organisations	Community Welfare Peak Body
Problem gambling counselling services	Counselling Service 1 Counselling Service 2
Local government	City Council 1 City Council 2

Table 4.2 Stakeholder perspectives and organisations represented in the study

In the case of three of the organisations represented, two co-researchers from those organisations participated in the research. These organisations were Clubs Peak Body 1, State Government and City Council 1.

#### ***4.5.3 Non-participants in the research***

In addition to the 13 co-researchers who agreed to participate in the research, another 11 prospective participants were invited to take part, but these had either declined or had failed to respond to my invitation. These non-participants had the following stakeholder affiliations:

- *Association of gamblers.* I had a telephone conversation and a short informal meeting with the association's media representative. He agreed to participate in the research, but later failed to respond to my calls and emails.
- *Club directors.* I contact three clubs with a view to inviting any of their directors to participate in the study. The first of these was a large club in Western Sydney: I spoke with the Chairman of the board of directors and extended the invitation to all or any members of the board. In response, I was later advised by the personal assistant

to the Chairman that he “said ‘no’” to the invitation, and that none of the other directors would be participating. I also approached another large club in Western Sydney, and I spoke with the Chief Executive Officer who said he would pass the invitation onto the directors at a forthcoming meeting of the board. I later called and emailed the CEO, without response. The third of these clubs was a small sporting club which operated as a country club on Western Sydney’s urban fringe. I made this invitation to a duty manager of the club, who said he would relay the invitation to the chairman. When I later called to speak with the duty manager, he was not available and failed to return my calls. In all of these clubs I contacted, the directors did not attend at the club’s premises on a full-time basis, and this posed compelling logistical difficulties in contacting them with a direct invitation to participate in the study.

- *Peak body organisation of technical equipment suppliers to the gambling industry.* I made this invitation to the Chief Executive Officer of the organisation, but he later advised that he chose not to take part in the study.
- *Manufacturer of poker machines.* At the suggestion of one of the interviewees from the State government, I contacted the employee of a poker machine manufacturer, whose duties included “governance” and social responsibility. After an email exchange and two telephone conversations, that person declined to participate in the research.
- *Telephone counselling service.* This large organisation was involved in telephone counselling on a very wide range of issues (including problem gambling), and I had a number of conversations with the co-ordinator of the problem gambling counselling division. During my work in recruiting participants for the study, the incumbent in the position changed, and I was ultimately referred to an employee who had a regional responsibility in the organisation. That person informed me that she would need to obtain “approval from the Board” to authorise her participation in the research and, although she indicated that she would seek that approval, she did not respond further to my invitations to participate.

- *Local Government City Council.* I had a number of conversations, and an email exchange, with a community development officer of a large local government council in Western Sydney. This person was scheduled to be absent from her office on leave for an extended period, so she referred me to an officer in City Council 1, who later participated in the research.
- *Community-based regional advocacy body in the “human services” welfare sector.* A co-researcher from the State government referred me to the secretary of this regional non-government organisation and, at the secretary’s invitation, I met with a group of six people representing the organisation’s management committee. The purpose of the meeting was for those present to understand the nature of the research, and to explore whether they would be prepared to recommend to the committee that it support the research. At the beginning of the meeting, I perceived some hesitation, or even antagonism, apparently resulting from my position as an academic in a university faculty of management. It was explained to me that the community-based organisation would not be prepared to support “big business”, which those present had perceived to be the perspective of the research. However, after discussing the participative transparent approach of the research, the committee members agreed to recommend to the full committee that the organisation support the research. Following the highly democratic nature of the organisation, a subsequent full meeting of the management committee appointed a representative to participate in the research. This appointee – who acted for the organisation on a volunteer basis – later failed to meet two agreed appointments for the interview. Ultimately, he apologised that he would not be able to participate in the research, due to the pressures of his other activities for the non-government organisation.

#### ***4.5.4 Interviewing the co-researchers***

Of the 24 prospective co-researchers I had approached by telephone or email, I interviewed 13 after another two agreed to participate in the research but subsequently

failed to proceed with the interview. The interviewing process adopted for those who participated in the research followed the interview strategies and methods outlined in Section 4.4.2. Before each interview commenced, I handed the interviewee a copy of the Plain Language Statement for research participants (reproduced as Appendix 1) and each interviewee signed a form of Consent to participate (reproduced as Appendix 2).

All of the interviews were conducted at the co-researchers' workplaces, either at the co-researchers' work desk or in a meeting room. Generally, the co-researchers staged my discussions with them as straightforward professional business meetings: I was often greeted in a reception area and escorted back there after the interview. The interviews were audio-taped and transcribed, and the transcriptions were later thematically coded and analysed, as outlined in Section 4.6.

The data represented by these interview transcripts and my Research Journal are analysed in Chapters 5 and 6.

#### ***4.5.5 The Research Journal***

I kept comprehensive field notes and personal memos and reflections about my meetings, telephone discussions and emails with the co-researchers (as well as other industry representatives who did not become co-researchers), and these documents are reproduced in my Research Journal. More specifically, the Journal contains:

- Notes of my discussions with the participant co-researchers, prospective participants, my doctoral supervisors and other academics and practitioners – these latter discussions often took place at academic and industry conferences, workshops and social events;
- Records of my ideas and reflections made at all stages of the research – from the earliest stages of the project formulation, with focus on theoretical and methodological matters, through to the conduct of the fieldwork and the preparation of the thesis;

- Extracts of academic articles and treatises, press clippings and media releases, governmental and hospitality industry trade newsletters and bulletins, and printouts of “listserv” postings from email discussion communities, such as the *TRINET* hospitality and tourism listserv and the *International Association for Business and Society* listserv covering issues relating to corporate social responsibility.

Entries in the Research Journal were often originally written as separate computer files, and from time to time these were progressively merged into a complete chronologically appropriate electronic document. Some entries in the Research Journal were initially hand-written field notes, spontaneous reflections or theoretical memos, and these were subsequently transcribed and incorporated into the electronic Research Journal document. Because some hard-copy components of the Research Journal (such as press clippings and extracts of articles) did not easily lend themselves to storage in electronic format, the complete compilation of the Research Journal appears in hard-copy, with large tracts of it in electronic format, and other parts consisting of non-digitised hard copies.

The earliest entries in the Research Journal included ideas and reflections about the theoretical framework and research methodology. These types of entries were sporadic and included a number of ideas and reflections that were subsequently not pursued in the research. Those that have remained to inform the theoretical framework and methodological structure of this study have been appropriately incorporated into chapters 2, 3 and 4.

Many of the entries in the Research Journal described and reflected on my ideas and activities concerning my interactions with the co-researchers. Specifically, the Research Journal includes my notes and reflections about:

- Recruiting the participant co-researchers;
- Interviewing them;
- My interactions with them post-interview and, subsequent to that, in preparation for the dissemination forum;

- The conduct of the forum; and
- My debriefing and discussions with the co-researchers following the Forum.

The entries which concentrated on my activities with the participant co-researchers – together with the transcripts of my interviews with them – contribute to the analyses in Chapters 5 and 6.

#### **4.6 Stimulating collaborative interactions among co-researchers**

With reference to the research question, a significant component of the methodological dimensions of the study was the “structured stakeholder interaction around the various perspectives”, as explained in Section 4.3. The *learning history* approach was found to offer a suitable framework for a “structured” interaction (as discussed in Section 4.4), through the multi-stakeholder, group-learning dissemination forums; and through the Discussion Document that would provide the impetus for stakeholder interaction. This section outlines the steps I took to develop the Discussion Document, and to convene the co-researchers’ forums.

##### ***4.6.1 Preparation of the Discussion Document***

Against the background of the literature discussion in Chapter 2, my interviews of the co-researchers were used as the basis for constructing the *learning history* Discussion Document (as explained in Section 4.4.3). The document formed the focus for discussion at the co-researchers’ forum (discussed at Section 4.6.3). The purpose of the forum was to provide the co-researchers with an opportunity to engage in a collaborative group learning process, which is central to the *learning history* approach.

Because the Discussion Document was to provide an impetus for discussion and collaboration among those participating, I compiled the document so as to avoid scope for co-researchers’ anchored opposition to others’ views, and to circumvent the possibility of confrontation between those participating. During the interviews, four of

the co-researchers had spoken of their previous experiences of antagonism among stakeholders in the club sector. Also in the interviews, all of the co-researchers expressed varying degrees of opposition to, or criticism of, the practices and points of view of other stakeholders around problem gambling or the club sector. Some of these views were spoken with a noticeable level of intensity and, with the antagonism already experienced by some co-researchers, it seemed that, if left unmonitored, the discussion among co-researchers at the forum could become so heated as to be unproductive.

For these reasons, when compiling the Discussion Document, I excluded particularly contentious or inflammatory statements and, with this censorship, the text of the document took a form that could have been considered to be relatively uncontroversial. Following are a sample of the inflammatory comments that were excluded from the Discussion Document:

- According to a representative of government, Clubs directors were mainly “boofy old Aussie blokes” (see Section 5.5.6) and “management laziness” was part of the industry’s problem (Section 5.5.5);
- According to a representative of a club co-researcher, government is “a mercenary pack of shits” (see Section 5.3.7) and many clubs have “had their snouts in the tough” and therefore deserve a tighter regulatory regime (Section 5.3.5).

The perspectives of all co-researchers are discussed in Chapter 5.

While all co-researchers were not expected to be in agreement with the contents of the document, the sections of it that would have been in dispute were taken to have been only moderately divisive. Because the co-researchers were practitioners with experience in the topics covered in the interviews, I had expected that each of them would already have had some (if only superficial) appreciation of the various perspectives articulated in the Discussion Document. I speculated that their knowledge of these perspectives would have been gained in the course of their professional practice, from previously published research as well as from government and media reports.

During the interviews, all except three interviewees had made privileged statements which they asked to be “off-the-record”. In some cases, the interviewees were prepared to have such statements made known to the other co-researchers, but they did not wish to be attributed to those statements. In another case, the interviewee made comments that he allowed to form part of the research, but *not* part of the dissemination process at the co-researchers’ forum.

Any possibly contentious sentiments that were included in the Discussion Document were carefully *not* attributed to any particular co-researcher. Also, references in the document to any specific co-researcher, or to specific organisations, were approved by the relevant co-researcher before the Discussion Document was distributed to all of them. While the five-step *learning history* process (Peers, 2002) anticipated that the document would be validated by all co-researchers, this was considered to be an unnecessary measure here, because of the relatively uncontroversial nature of the document contents. What’s more, in view of the supposed exhaustion of the co-researchers about social responsibility for problem gambling in clubs (explained in Section 4.4.4), the limited scope of the validations was also intended to reduce the study’s impositions on the co-researchers.

#### ***4.6.2 Text of the Discussion Document***

This section summarises the text of the Discussion Document which, at 10 typed pages, was longer than I had anticipated. While the document otherwise kept the format I proposed in the design phase of the research, in order to maintain its brevity, it did not take the two-column format proposed by Kleiner and Roth (1997); but it did maintain the overall structure outlined by Royrvik and Bygdas (2002). The document is reproduced in full as Appendix 6.

In keeping with the terms upon which the co-researchers agreed to participate in the study, the document commenced by listing each of the participants taking part. This was



followed by a short introductory paragraph, which confirmed that the contents were constructed from my interviews with the co-researchers. This paragraph continued:

“In identifying the different perspectives on the issue of the Clubs sector’s social responsibility for problem gambling, this Document concentrates on similarities and dissimilarities in the conversations with the co-researchers. The purpose of this Document is to provide a focus for the Forum discussion.”

The Discussion Document had nine key themes, namely:

1. Clubs and the community
2. Gaming machines in the community
3. Income from gaming machines
4. Gaming machines and problem gambling
5. Problem gambling in the community
6. Harm minimisation
7. Social responsibility
8. Community involvement in addressing problem gambling
9. Future considerations

The following is an outline of these themes:

### 1. Clubs and the community

Clubs provide a community service. While they already show a degree of social responsibility, there is scope for higher levels of socially responsible performance. The professionalism and capabilities of club management have developed in recent times, but this is not so for club directors. Business and management skills are not prerequisites for assuming the role of a club director, and all directors might not be fully aware of their responsibilities.

### 2. Gaming machines in the community

Gaming machines were acknowledged to be a legitimate form of leisure activity and, while there was no call to abolish them, some co-researchers advocated winding back the

number of machines. Notably, gaming machines were contrary to the philosophies of some organisations that are nonetheless prominent in efforts to assist problem gamblers.

Some co-researchers outside the club sector understand that, by virtue of their community contributions, clubs have a better right to gaming machine income than pubs and the casino. The perception within the club sector, however, is that gaming in clubs is viewed as negatively as gaming in other types of venues.

The State government department is a key stakeholder, and exercises a complex dynamic, in the gaming industry.

### 3. Income from gaming machines

While clubs, pubs and the casino all directly derive income from gaming machines, indirect income is derived by gaming machine manufacturers and the State government. Club managers have a stronger awareness of the negative impacts of gambling, and some clubs have reduced their reliance on gaming machine income. Also, the gaming tax has contributed to a reduction in gaming machine revenue, and clubs have therefore been called upon to diversify their income streams and to implement operational cost savings.

### 4. Gaming machines and problem gambling

Problem gambling from gaming machines has increased since the decision to licence machines in pubs. Gamblers in pubs and the casino have more anonymity, and the identification of problem gamblers in clubs may be marginally more obvious than the other types of venues. Even so, with the different types of venues, problem gamblers are able to disguise their level of use by moving from one venue to another. The self-exclusion programs are not realistic.

Effective support interactions with problem gamblers may occur away from a club's premises. While they are gambling, players are "in the zone" and not open to suggestions

of temperance. Therefore, they might be more receptive to offers of assistance once they have had the opportunity to reflect on the implications of a bad gambling experience. So the actions that are available to clubs to deal with the problem gambler are unclear.

Can any particular venue be held responsible for problem gambling? Is it realistic to expect that any particular sector of the gambling industries should be more accountable than others?

### 5. Problem gambling in the community

The behavioural continuum which contemplates a progression from recreational gamblers through to problem gamblers allows for the possibility that some gamblers who do not currently exhibit the characteristics of a problem gambler may at some point in the future progress to that. Currently, much of the focus appears to be on the “confirmed” problem gambler: the one with the identifiable problem.

Current programs for dealing with problem gambling generally do not involve early intervention and prevention strategies, which are triggered before a crisis has become apparent. Problem gambling can be understood to constitute a community health issue, something like alcohol and smoking, and early intervention and prevention strategies are a hallmark of those. The Health Department is a key player in such approaches.

### 6. Harm minimisation

The existing harm minimisation strategies were ill-conceived and improperly implemented, leaving them ineffective and insufficient. In some cases, the strategies have achieved very different results from those intended, especially for the self-exclusion program and the mandatory shut-down period. There was a call for future harm minimisation programs to be supportable by research.

One co-researcher said that the credibility for effective management of problem gambling had been set back by the failure of the harm minimisation strategies to achieve their stated outcomes.

### 7. Social responsibility

Clubs are generally socially responsible, and the Community Development Support Expenditure (CDSE) Scheme has assisted with this. The meaning of “social responsibility” encompassed clubs contributing to their communities. While the need for clubs to be socially responsible was clear, it was not so clear *how* they could do that. Social responsibility required clubs to balance their income-producing objectives with the need to contribute to their communities.

Social responsibility involves engagement at individual club level, some sector-wide leadership or self-regulation and involvement with others in the community, including government. The need to be socially responsible imposes a burden on clubs, and education programs may be needed to address these burdens, especially education of directors.

### 8. Community involvement in addressing problem gambling

Counselling and welfare organisations make a significant contribution in the area of problem gambling. Difficulties were identified in the method of funding these organisations for their work in problem gambling. The funding guidelines for problem gambling projects do not accommodate longer-term early intervention and prevention strategies. There was a perception that the provision of funding for such activities was being considered by the government.

### 9. Future considerations

The various perspectives on gambling lend themselves to a degree of independent, outsider investigation. While there are considerable differences between the perspectives of the various stakeholders around the issue of problem gambling, there is also a degree of consensus. Some stakeholders appear less inclined to engage with others who are understood to take a different perspective.

The systematic management of problem gambling is still at an embryonic stage, and one co-researcher thought that the Federal government may have indicated its intention to take over responsibility for gambling.

Problem gambling is a whole-of-community issue, requiring involvement from a broad range of stakeholders, including government, the club sector, the community and the counselling and welfare organisations. One co-researcher felt that the former multi-stakeholder networking group, *The Gaming Industry Consultative Committee* (now apparently defunct) had made an important contribution to the understanding and management of gaming and problem gambling.

Another co-researcher argued for an independent gambling commission. The perceived resistance to this was thought to stem from a concern from the gaming sectors that they could come in for unwarranted and inappropriate attack from the strong anti-gambling lobby groups. The gambling industries also maintain strong lobby groups.

#### ***4.6.3 Convening the co-researchers' forum***

At the time of my interviews with the co-researchers, I loosely canvassed with them their availability to attend the co-researchers' forum which was to operate as the group-learning dissemination session. In this way, while talking with the Chief Executive Officer of Club 2, he referred to the co-researchers' forum as "The Problem Gambling Network Forum". This seemed to represent an instance of a co-researcher participating

in the type of researcher-partnership contemplated by Milofsky (2000). By coining a definite title for the forum, this co-researcher appeared to take on the type of participatory collaborative research-designing role that was contemplated by the transparent research approach. Thus, I thereafter referred to the forum as *The Problem Gambling Network Forum*, and I specifically used that title when communicating about the forum with the other co-researchers.

On the basis of my discussions with the co-researchers about a suitable date for the forum, I wrote an email to each of them to advise that *The Problem Gambling Network Forum* had been scheduled for 19 May 2005. The venue chosen was the boardroom of the Whitlam Institute building on the Parramatta Campus of the University of Western Sydney. The location seemed a central point, given the business address of each of the co-researchers.

I wrote to the co-researchers again a week before the scheduled date, to distribute the Discussion Document, which was intended to act as an impetus for the discussion. (This email is reproduced as Appendix 7.) I also confirmed the venue details, and I sought to draw the co-researchers into a discussion about setting the agenda for the Forum. I wrote:

“To assist in setting a loose agenda for the discussion, I’d be grateful if you would let me know beforehand what you feel should be the key issues for discussion at the Forum. Even if you are unable to attend, I’d appreciate it if you would, in any case, identify some key issues. And if you are unable to attend, please do feel free to nominate an alternative to attend in your place.”

None of the co-researchers responded to my invitation to contribute to the agenda. By this, it seemed that they were not inclined to be involved in what might have appeared to them to be administrative matters about the Forum, or in issues of process. At the time, I took their inaction in considering an agenda to indicate a preference to have such administrative or procedural matters managed by me. On reflection, however, it has occurred to me that the co-researchers may have perceived the study, at that time, still to be “owned” by me. Despite my declarations, before and during the interviews, about the

scope and opportunities for all co-researchers to contribute to the design and outcomes of the research, the co-researchers may not then have felt confident to assert their entitlement to contribute to the design and planning aspects of the study.

I received only four acceptances to the Forum scheduled for 19 May. Six co-researchers indicated that they had other commitments at the scheduled time, and the interviewee from Clubs Peak Body 2 felt that he could not spare the time to attend, with the pressures of his other work. Two co-researchers did not respond to my emails.

I subsequently rescheduled the forum for 22 June. A week before that date, I sent a reminder email to the co-researchers with details of the venue, and with another copy of the Discussion Document. (This email is reproduced as Appendix 8.) The forum did take place on 22 June, and my observations, reflections and analysis of the co-researchers' participation and discussion at the forum are in Chapter 6.

#### **4.7 Analysing the research data**

With attention to the management of the research data (O'Leary, 2004), the study draws on data from two sources:

- My interviews of the co-researchers; and
- My Research Journal.

The interview transcripts are taken to have identified the co-researchers' perspectives on the social responsibility of clubs for problem gambling. Further, using the Discussion Document as an impetus for discussions, the co-researchers' subsequent interactions at the *Problem Gambling Network Forum* can provide understandings about any group learning or change that resulted from the study. Therefore, while the interview transcripts constituted the source of data for the co-researcher perspectives, data about their interactions and discussions were recorded in the Research Journal.

Constructed from the interview transcripts, the Discussion Document represented the purposefully censored, uncontroversial “jointly-told tale” of the co-researchers. This censorship was necessary because the aim of the document was to generate discussion at *The Problem Gambling Network Forum*, and contentious comments in the document had the potential to divert the co-researchers away from collaborative approaches. However, the research data also included the complete and uncensored perspectives of the co-researchers contained in the interview transcripts. By undertaking a more forthright analytical mining of the interview transcripts than was appropriate when constructing the Discussion Document, the transcripts can give access to the type of “undiscussable” themes referred to by Kleiner & Roth (1997, p. 176).

With six different stakeholder perspectives included among the 13 participant co-researchers, the interview transcripts were analysed by first separating the transcripts according to the co-researchers’ relevant stakeholder perspective. These texts of each stakeholder perspective were then coded and analysed separately. Thus, the amalgamation of transcripts according to the stakeholder orientation of the co-researchers was a first-level management strategy for analysing the data. Then, the transcripts were mined and coded for themes, in what Coffey and Atkinson (1996) referred to as “an essential analytical procedure” (p. 31).

In the coding procedure, I scanned the transcripts for interviewee comments that could have been understood to make connections with the topics, ideas or subjects that had emanated from the literature discussions in Chapters 2 and 3. In particular, I scanned the transcripts for comments that could have been interpreted to bear on any aspect of social responsibility, problem gambling or on the interactions and engagement among stakeholders in the club sector. I physically highlighted these comments and, as I worked through each transcript, I assigned a theme (consistent with the literature discussions) to each highlighted comment. On a separate master sheet, I gradually built up and maintained a list of the themes I was discovering in the transcripts and, as I worked through the transcripts in this way, I progressively sought to find connections between the themes recorded on the master sheet. With this approach, some of the themes I had



initially identified (early in my coding of any transcript) were later grouped with other initially-identified themes, and some themes were subsequently teased into sub-themes. On the master sheet, I also recorded the page of the transcript at which each of the themes was highlighted.

In this way, constructing the master sheet, in conjunction with the highlighted text in the transcripts, enabled me to use the master sheet as something of an index to the various pages of the transcripts where the themes had appeared. Then, in writing up the themes for Chapter 5, I was able to refer from the master sheet to those pages of the transcripts where the theme appeared. The master sheet enabled me to develop a complete understanding of the interviewees' comments on any theme, even though their comments were dispersed at different pages throughout the various transcripts.

The coding was used to conceptualise the interview data, and to find thematic relationships between the data from the different stakeholder perspectives, as well as from the co-researchers with the same stakeholder perspective. In this way, the discovery of themes emanating from the interviews and the detection of thematic relationships between the various transcripts was undertaken in an approach referred to as "mapping the woods" (Macnaghten & Myers, 2004, p. 67). Representing a type of "social-problem-oriented research" (Silverman, 2006, p. 277), the analytical approach adopted was taken to be particularly appropriate to this study of the social responsibility of clubs for problem gambling.

Data in the Research Journal was similarly coded and, in seeking to conceptualise that data, thematic connections were made with the literature and with data appearing in the interview transcripts. These broader thematic connections with the Research Journal assisted to develop interpretations of what was found there, in order to uncover understandings and conclusions that could relate to the research question.

The themes emanating from the data are discussed in Chapters 5 and 6, and the analysis and interpretations are in Chapter 7.

In addition to this, the critical dimensions of the research bore on the analysis and interpretation of the data. Kincheloe and McLaren (2005) had drawn attention to how “mainstream research practices are generally, although most often unwittingly, implicated in the reproduction of systems” (p. 304). I understood this to have significant reach in the analytical and interpretation phase of the study. For example, in the practical context of social responsibility, the literature on CSR had outlined how corporatist agendas around social responsibility could be subsumed into stakeholder perspectives. Business could “deflect or dilute certain pressures but also be in the driving seat to ensure that change [relevant to social responsibility] took place on terms favourable to business” (Utting, 2002, p. 68; discussed at Section 3.3.2).

Alvesson and Skoldberg (2000) offer some assistance for this dilemma. Reflective research, the authors said, requires both “careful interpretation and reflection” (p. 5). Thus, especially with its critical orientation, I understood a reflective research approach to require the study, first, to take a questioning approach when looking for interpretations of and meanings for the co-researcher perspectives articulated, and the phenomena identified, in the research data. This questioning would need to be more than the “cautious and controlled” approach to analysis (Coffey & Atkinson, 1996, p. 9). With its critical orientation, the analytical interrogation of the data would need to be attuned to “the dominance of certain values and interests, irrespective of whether these are accompanied by consensus or conflict” (Alvesson & Deetz, 2000, p. 131). In this way, I anticipated that the analysis of the data could, in some circumstances, require a “challenge to prevailing mindsets” (Grey, 2004, p. 178).

Secondly, I understood the reflective research proposed by Alvesson and Skoldberg (2000) to require a reflective attitude from me as the researcher and, with this, I contemplated how my formulation and conduct of the research may have “implicated” the “reproduction of systems” in the analysis phase of the study (Kincheloe & McLaren, 2005, p. 304). This led to my questioning for myself the assumptions and expectations I had about the study, and this has had a significant bearing on the structure and contents of Chapter 7.

#### **4.8 Research rigour and quality issues**

The discussion in this section takes a two-pronged approach to a consideration of whether the study can be evaluated as achieving a suitably rigorous standard. The first of these approaches considers the study against criteria for the evaluation of qualitative research, and the second considers questions of quality in action research more specifically.

In his discussion of appropriate criteria for evaluating research – whether qualitative or quantitative research – Silverman (2006, p. 276) draws on criteria adopted by the British Sociological Association Medical Sociology Group. The author presents the following 10 criteria for the evaluation of research:

1. Are the methods of research appropriate to the nature of the question being asked?
2. Is the connection to an existing body of knowledge or theory clear?
3. Are there clear accounts of the criteria used for the selection of cases for study, and of the data collection and analysis?
4. Does the sensitivity of the methods match the needs of the research question?
5. Were the data collection and record keeping systematic?
6. Is reference made to accepted procedures for analysis?
7. How systematic is the analysis?
8. Is there adequate discussion of how themes, concepts and categories were derived from the data?
9. Is there adequate discussion of the evidence for and against the researcher's arguments?
10. Is a clear distinction made between the data and their interpretation?

These criteria were adopted in designing and conducting the research. Table 4.3 matches these criteria against the attributes of this study, and refers to those sections of this thesis which evidence the study's attention to the criteria mentioned.

Criteria for evaluating research	Attributes of this study
1. Methods appropriate to the question	The suitability of the research methods is explained in Section 4.3, with particular reference to the research question
2. Connection to an existing body of knowledge or theory	This connection is explained in Section 4.1
3. Criteria for selecting cases for study, data collection and analysis	The strategy for recruiting participants is in Section 4.4.1 Data collection is explained in Sections 4.5 and 4.6 The strategies for analysing the data is in Section 4.7
4. Sensitivity of methods to match the research question	The suitability of the methods is explained in Sections 4.3 and 4.4
5. Systematic data collection and record keeping	The strategies for collecting and managing data are in Section 4.4 and 4.7
6. Accepted procedures for analysis	Data analysis strategies are explained in Section 4.7, with references to relevant literature
7. Systematic nature of the analysis	As explained in Sections 4.1 and 4.10, the data are outlined in Chapters 5 and 6, and analysed in Chapter 7
8. Discussion of themes, concepts and categories in the data	This is explained in Chapters 5 and 6
9. Discussion of evidence for and against arguments	The data are analysed and interpreted in Chapter 7
10. Distinction between data and interpretation	The data are laid out in Chapters 5 and 6 and, separately, the data are analysed and interpreted in Chapter 7.

**Table 4.3 Table of research evaluation criteria and attributes of the study**  
(Adapting Silverman, 2006, p. 276)

The second approach to an evaluation of the research considers the quality of the study in the specific context of action research, and this is appropriate given the focus on action research in the design of the study. In identifying five questions for quality in action research, Bradbury and Reason (2001, p. 454) ask is the action research:

1. Explicit in developing a praxis of relational participation?
2. Guided by reflexive concern for practical outcomes?
3. Inclusive of a plurality of knowing?
4. Worthy of the term significant?
5. Emerging towards a new and enduring infrastructure?

Table 4.4 explains how the attributes of this study address these questions.

Quality in action research	Attributes of this study
1. Praxis of relational participation	The adaptation of the <i>learning history</i> approach contemplated the participation of co-researchers not only in the research activities, but also in the design and review of the research, as explained in Section 4.4
2. Reflexive concern for practical outcomes	The <i>Problem Gambling Network Forum</i> provided co-researchers with an opportunity to reflect on disparate perspectives, as explained in Section 4.4.3 My researcher-reflections are a feature of the data analysis, as explained in Section 4.7
3. Inclusive of a plurality of knowing	The co-researchers' discussion and interactions at the <i>Problem Gambling Network Forum</i> provided opportunities for contemplating the other co-researchers' perspectives, as explained Section 4.4 and 4.4.3
4. Worthy of the term significant	The significance of the research can be taken from its investigation of the appropriateness of the <i>learning history</i> approach as a vehicle for multi-stakeholder learning about social responsibility of clubs. This is discussed in Chapter 8.
5. Emerging towards a new and enduring infrastructure	The research contemplated the possibility of on-going relationships among the co-researchers, and this is discussed in Section 7.5.4

**Table 4.4 Quality in action research and attributes of the study**  
(Adapting Bradbury & Reason, 2001, p. 454)

To further this discussion about research rigour and quality, Chapter 8 reflects on the outcomes and significance of the study.

#### **4.9 Ethical issues in the research**

Silverman (2006) suggests that ethical research should have four goals. Table 4.5 outlines these, with reference to the study attributes that are claimed to meet these goals:

Goals of ethical research	Attributes of this study
<ul style="list-style-type: none"> <li>Ensuring that people participate voluntarily</li> </ul>	<p>The co-researchers were invited to participate in the study: they could decline the invitation, and could even discontinue their participation, once commenced, without having to provide any justification. This was made clear when I handed each interviewee a copy of the Plain Language Statement about the research (Appendix 1) and when each signed their Consent to participate (Appendix 2).</p>
<ul style="list-style-type: none"> <li>Making people's comments and behaviour confidential</li> </ul>	<p>The co-researchers participation in the study, and the organisations with which they were affiliated, were confidential except that, because the research required the co-researchers to engage with each other during the study, only the co-researchers themselves were aware of each others' identity, as explained in Section 4.5.1.</p>
<ul style="list-style-type: none"> <li>Protecting people from harm</li> </ul>	<p>The text of the Discussion Document used as the impetus for discussion and interaction at <i>The Problem Gambling Network Forum</i> was purposefully censored in order to remove any contentious or inflammatory statements; any co-researchers named in the document were given the opportunity to validate those statements before the document was distributed to all co-researchers, as explained in Section 4.6.1.</p>
<ul style="list-style-type: none"> <li>Ensuring mutual trust between researchers and people studied</li> </ul>	<p>My interactions with the co-researchers were conducted with an attitude of respect, and an indication of the trust placed in the co-researchers can be taken from the invitation to them to participate in the design of research activities, as explained in Section 4.4.</p>

**Table 4.5 Goals of ethical research and attributes of the study**  
(Adapting Silverman, 2006, p. 323)

In addition, the Australian National Health and Medical Research Council has, in association with the Australian Research Council and the Australian Vice-Chancellors' Committee, released a *National Statement on Ethical Conduct in Human Research* (Australian Government, 2007). The National Statement clarifies the responsibilities of

“researchers for the ethical design, conduct and dissemination of results of human research; and review bodies in the ethical review of research” (2007, p. 7).

Before recruiting the co-researchers, but after developing a design for the study, I applied to the RMIT University, Business Portfolio Human Research Ethics Sub-Committee for ethical clearance to conduct the research as described in this chapter. The research was considered to be of “low risk” to human subjects and, on approval by the Committee, I conducted the research as described here.

No further ethical issues arose in the course of the research.

#### **4.10 Chapter conclusion**

This chapter has outlined the methodology and methods for the research. The chapter explained how I referred to the research question in selecting the methodological framework, and how in designing the study, I adapted an action research process known as the *learning history* approach. The text discusses the research strategies for recruiting and interviewing participant co-researchers, and the process followed for stimulating collaborative interactions among the co-researchers by convening *The Problem Gambling Network Forum*.

The chapter also explains my approach for analysing the research data, and concludes by considering matters relating to research quality and ethical issues in the research.

To follow this chapter, Chapters 5 and 6 now document the research data. Then, Chapter 7 contains an analysis and interpretation of the co-researchers’ perspectives and interactions.

## CHAPTER 5

### **CO-RESEARCHERS' PERSPECTIVES ON PROBLEM GAMBLING AND SOCIAL RESPONSIBILITY OF CLUBS**

	<i>Page</i>
5.1 Chapter introduction .....	138
5.2 Presenting the co-researchers' perspectives .....	139
5.3 Perspectives of the registered clubs .....	140
5.3.1 Characteristics of participating clubs .....	140
5.3.2 Club sector's relationships with the community and other stakeholders...	142
5.3.3 Club sector peak bodies and club sector generally .....	144
5.3.4 Managers in the club sector .....	146
5.3.5 Club directors .....	147
5.3.6 Government and legislation .....	148
5.3.7 Ethics and values in the club sector .....	149
5.3.8 Social responsibility .....	150
5.3.9 Dealing with problem gambling .....	151
5.3.10 Counselling for problem gambling .....	152
5.3.11 Education and problem gambling .....	152
5.3.12 Harm minimisation .....	153
5.3.13 Gaming Tax .....	154
5.3.14 Planning for gambling in the State .....	154
5.3.15 Public perception of gambling .....	155
5.4 Perspectives of the club sector peak bodies .....	155
5.4.1 Characteristics of the participating clubs peak bodies .....	156
5.4.2 Club sector .....	160
5.4.3 Club managers and CEOs .....	162
5.4.4 Club directors .....	162
5.4.5 Government .....	163
5.4.6 Problem gambling .....	164
5.4.7 Social responsibility .....	165
5.4.8 Harm minimisation .....	166
5.4.9 Counselling and counsellors .....	167
5.4.10 Gaming Tax .....	167
5.4.11 Dealing with problem gambling .....	168
5.5 Perspectives of state government .....	168
5.5.1 Gambling-related functions of the department .....	170
5.5.2 Problem gambling .....	173
5.5.3 Government strategies for dealing with problem gambling .....	174
5.5.4 Harm minimisation .....	175
5.5.5 Club sector and gambling .....	176



	<i>Page</i>
5.5.6 Club directors .....	178
5.5.7 Government relations with other stakeholders .....	179
5.6 Perspectives of the community welfare peak body .....	180
5.6.1 Characteristics and functions of the peak body organisation .....	181
5.6.2 Government .....	182
5.6.3 Independent gambling body .....	182
5.6.4 Clubs .....	183
5.6.5 Community contributions of clubs .....	184
5.6.6 Education about gambling .....	185
5.7 Perspectives of the problem gambling counselling services .....	186
5.7.1 Characteristics of the participating counselling organisations .....	187
5.7.2 Strategies for managing problem gambling .....	189
5.7.3 Government and gambling counselling and treatments .....	192
5.7.4 Counselling and problem gambling .....	194
5.7.5 Funding for problem gambling services .....	195
5.7.6 Relations with government .....	196
5.7.7 Club sector .....	197
5.7.8 Social responsibility .....	198
5.8 Perspectives of local government .....	198
5.8.1 Characteristics of the participating local government city councils .....	199
5.8.2 Council's role in CDSE .....	200
5.8.3 City councils and gambling .....	201
5.8.4 Social responsibility of clubs and CDSE .....	202
5.9 Chapter conclusion .....	203

## **5.1 Chapter introduction**

The previous chapter outlined the methodological framework for the research, and indicated how that framework was adapted for this study. This chapter is the first of two that document the research data. First, this chapter records each of the stakeholder perspectives on problem gambling and related issues, and the following chapter, Chapter 6, then focuses on the engagement and interactions among the co-researchers, in the course of this study.

Following that, Chapter 7 analyses the data by synthesising the disparate stakeholder perspectives (recorded in this chapter), in the context of the engagement and interactions among the co-researchers (discussed in Chapter 6).

## **5.2 Presenting the co-researchers' perspectives**

My interviews with the 13 participant co-researchers are a foundational source of data for this study, and transcripts of these interviews are the basis for the research findings detailed in this chapter. In all, 10 organisations are included, representing six different stakeholder perspectives. These are detailed in Table 5.1.

<b>Organisations represented</b>	<b>Stakeholder perspective</b>
Club 1 Club 2	Registered clubs (Section 5.3)
Clubs Peak Body 1 Clubs Peak Body 2	Clubs sector peak bodies (Section 5.4)
State Government	Government (Section 5.5)
Community Welfare Peak Body	Community welfare organisations (Section 5.6)
Counselling Service 1 Counselling Service 2	Problem gambling counselling services (Section 5.7)
City Council 1 City Council 2	Local government (Section 5.8)

**Table 5.1 Organisations represented in the study and their relevant stakeholder perspective**

The transcripts of my interviews with the co-researchers have been separated according to the co-researchers' relevant stakeholder perspective. While the perspectives are discussed separately, this chapter draws attention to the connections between them and, where appropriate, there are links to the literature in Chapters 2 and 3.

In discussing the data, this chapter uses a system of citation that refers to the interview transcript for the relevant stakeholder perspective. So, for example, "Club, p. 14" is a reference to page 14 of the interview transcript for the registered club perspective. The

chapter also incorporates quotes of the words used by the co-researchers during my interviews with them, and the same citation system is used for the quotes.

The following treatment of each stakeholder perspective commences with an outline of the relevant co-researchers and a summary of the organisations with which they were affiliated. In keeping with the conditions upon which the co-researchers agreed to participate in the research, the co-researchers and their organisations have been anonymised. Accordingly, the organisations associated with the co-researchers are discussed not by the name of the organisation, but by reference to their relevant stakeholder perspective: so, for example, the organisations are referred to as “Club 1”, “Clubs Peak Body 2” or “Counselling Service 1”, etc.

### **5.3 Perspectives of the registered clubs**

The Chief Executive Officers of two registered clubs agreed to participate in the research, and the following paragraphs outline the data obtained from my interviews with them. The discussion commences with a description of each of the clubs, identified as “Club 1” and “Club 2”, and the sections that follow lay out the themes which emerged from the interviews.

#### ***5.3.1 Characteristics of participating clubs***

- ***Club 1***

Situated in a densely populated urban area in the inner Western suburbs of Sydney, Club 1 was claimed to have approximately 17,500 members, and is considered to be a medium-sized club (Clubs, p. 4). According to the CEO, while the membership includes part of the local transient “yuppie” population, approximately 20% of members have held their memberships for more than 20 years (Clubs, p. 4). Mainly providing hospitality and entertainment facilities for members, he said the club is the income-producing vehicle for

a high-profile football club. The goals of Club 1 also include the development of youth and sport in general, in the local community (Clubs, p. 2).

Some 70% of the club's revenue is derived from gambling, the CEO said. This represents a managed reduction in reliance on gambling revenue from 85% in the mid-1990s (Clubs, p. 2). The Club maintains 200 poker machines, but he said it is licensed to accommodate 340 (Clubs, p. 3). The interviewee insisted that the club operates in a highly competitive geographic marketplace, with 135 clubs and pubs within a 3.5 kilometre radius – all operating poker machines. Also, the State's only casino is in relatively close proximity (Clubs, p. 3).

- Club 2

Club 2 is located in an ethnically diverse urban area in Western Sydney. According to the CEO, the club has approximately 19,000 members, and derives 92% of its net revenue from gambling. He said this puts the organisation among the top clubs in the State, on the basis of gambling revenue (Clubs, p. 33). As an indication of its business management practices, the CEO claimed that the club only employs staff on a permanent basis (Clubs, p. 33). This is in marked contrast to the usual practice in the hospitality industry, which is renowned for high levels of employee casualisation (Baum, 2006).

The CEO insisted that his club also operates in an aggressively competitive geographic marketplace. Its business strategy, therefore, is to seek competitive advantage through differentiation. He claimed the club therefore aims to differentiate itself from other clubs by projecting something of a “casino” image in its operations and facilities (Clubs, p. 35). The club has a substantial program for facilities development and capital expenditure, and the CEO claimed that it has made significant investment in staff training and development. Despite this, he said the club is at risk of operating at a loss from 2008, due to the imposition of the Gaming Tax (Clubs, p. 35).

According to the interviewee, the club had developed an alliance with a gambling counselling service, to form a centre for problem gambling. In addition to this, the CEO said that Club 2 also stages problem gambling awareness presentations from time to time, for interested members (Clubs, p. 39).

### ***5.3.2 Club sector's relationships with the community and other stakeholders***

According to both CEOs, clubs generally have a genuine focus on supporting their communities. In the words of one interviewee:

“This is a good strong [club] industry. It’s about community. It’s about what we can evolve in the community. We are one of the luckiest places in the world; we have clubs that are interested in baseline community needs, and in so many different aspects. There are parts of the world that dream of what we’ve got.” (Clubs, p. 23).

This strong connection with the local community involves seeking regular feedback from members and employees, as a matter of business practice (Clubs, p. 7). The interviewee from Club 1 stated:

“Our community and its social needs are part of our strategic development” (Clubs, p. 26).

He also maintained that clubs are, in fact, stakeholders in their communities:

“I don’t understand how anyone can actually wonder about social responsibility: you are part of the community. No matter how you look at it, you are a stakeholder in the community ... I as a manager ... and this club is a stakeholder in this community” (Clubs, p. 24).

These comments draw attention to the complex and dynamic nature of the relationships between clubs and their communities. Specifically in terms of a club’s social responsibility, it is “part of the community” and the club itself was said to be a stakeholder in the community. This positioning of clubs in a community network is taken to lend support for the multi-networked stakeholder perspective of corporate social responsibility, proposed at Section 3.4.2.

According to one CEO, there was “an angry common ground” among some people who were concerned about gambling in clubs (Clubs, p. 52). So, when Club 2 approached a gambling counselling provider with a proposal to collaborate in a problem gambling support centre, the counselling provider was initially suspicious. In the words of the CEO:

“... you got to remember, the [counselling provider is] ... completely against gambling. For them to want to sit down and form a synergy with us, shows that they are prepared to sit in the middle ... For us to be able to say we want to be involved in the [problem gambling support centre], I think that shows we want to come to the middle [too]” (Clubs, p. 46).

This suggests that, although stakeholders may be initially suspicious of each other, at least some of them appear prepared to move to a “middle ground”. However, while the two individual organisations mentioned here (Club 2 and Counselling Service 1) might be inclined to take such a “middle” course, there appears to be little to suggest any widespread move to form “synergies”. In spite of the collaboration, the organisations persisted with their respective diametrically-opposed core businesses: the club continued to derive income from poker machines, and the counselling service remained “completely against gambling”. This collaboration is discussed, in similar terms, from the perspective of Counselling Service 1, at Section 5.7.1.

Notwithstanding this type of collaboration, the stakeholders which the interviewees took to be most influential in the future direction of gambling in clubs included the “vocal left” – consisting of anti-gambling lobbyists – and the club sector peak bodies “because they’ve got large stakes” (Clubs, p. 44 & 45). According to the CEO of Club 2, these stakeholders also represent the “extreme” views among stakeholders; thus drawing attention to the “angry common ground” mentioned above.

### ***5.3.3 Club sector peak bodies and club sector generally***

The CEO of both clubs spoke extensively about two of the peak body organisations which operate in the club sector. The perspectives of these organisations are outlined at Section 5.4 below: the organisations are identified as “Clubs Peak Body 1” and “Clubs Peak Body 2”. A third organisation, the peak body of suppliers of technical equipment to the gaming industry, was also mentioned by one of the CEOs as somewhat influential in the sector, but that organisation declined to participate in this research.

- *Clubs peak bodies’ influence in club sector*

According to one of the interviewees, the peak bodies are too cautious (Clubs, p. 17), and they are apparently prepared to put up with inequities among the various gambling vendors – clubs, pubs and the casino – to the detriment of clubs (Clubs, p. 14). The peak bodies should more strongly resist such inequities. For example:

“[When] someone like Kerry Packer or Tabcorp barks [prominent investors in Australia’s casinos], knees turn to jelly – and they [governmental decision makers] find ways to make sure there are solutions” (Clubs, p. 10).

According to the CEO of Club 1, the peak bodies are not keeping up with the diversity of views among their members (Clubs, p. 17), and they are therefore not representing the full range of their memberships (p. 17). From the perspective of the other interviewee, the club industry is a “shallow tepid pool”. Some club managers were arrogant he said: they had “their snouts in the trough” by arranging “huge junkets” for themselves out of club resources (Clubs, p. 36 & 37). Both interviewees maintained that there are strong political influences in the sector. For one CEO, some “old guard” club managers have been known to respond aggressively when “renegades” in the industry acknowledged that problem gambling is an issue for clubs. One of these “old guard” managers had told him: “you’re making us look bad” (Clubs, p. 23).

Both interviewees claimed that clubs and their stakeholders are generally suspicious of each other, even when there is a common ground (Clubs, p. 46). According to one CEO, part of the problem is the aggressive manner in which the club industry had engaged with government in the past (Clubs, p. 52). Both interviewees expected the clubs peak bodies to play a stronger role in representing the disparate views of clubs. One interviewee insisted that club managers need to be more pro-active; they need to stand up and voice their opinions (Clubs, p. 29) to the peak bodies.

The CEO of Club 1 thought that the public is becoming more knowledgeable about gambling. He said that the industry therefore needs to drive best practice standards in club management (Clubs, p. 26), instead of relying on harm minimisation as the strategy for managing problem gambling. According to the other CEO, many of the problems now apparent in the club sector can be addressed through appropriate educational initiatives directed at club managers and directors, although the peak bodies are probably not suited to manage that, he said (Clubs, p. 51).

- Clubs Peak Body 2

Clubs Peak Body 2 was understood by both interviewees to cater to the large proportion of unskilled directors, which he referred to as the “lowest common denominator” in the industry. According to the CEO of Club 1, some directors are plainly incompetent (Clubs, p. 21 & 22). He said that, while Clubs Peak Body 1 is changing, Peak Body 2 is overly influenced by the views of too-often incompetent and unskilled directors (Clubs, p. 23). For the CEO of Club 2, the problem with Clubs Peak Body 2 is that it does not appear to accept that it is part of the problems that are being experienced by clubs (Clubs, p. 51). Peak Body 2, he said, needs to have better channels of communication with government, especially about the Gaming Tax (Clubs, p. 52).

Both interviewees suggested that Clubs Peak Body 2 is the most influential of all the peak body organisations: it was understood to be the public face of the club sector. With this level of influence and the problems that the interviewees identified in the approach



taken by Clubs Peak Body 2, both CEOs showed a degree of frustration with the organisation.

### ***5.3.4 Managers in the club sector***

Overall, management ability in the club sector has improved in recent times, according to the CEO of Club 1 (Clubs, p. 29). Now, he said, managers are better educated on matters of values (Clubs, p. 16), and there is therefore some awareness in the industry about problem gambling (p. 16). He stated:

“ ... more and more managers ... are driving their businesses to meet certain philosophies and standards and in turn their directors and their managers are voicing to the industry associations [peak bodies] ‘Sorry, your standards aren’t high enough. We want to go further’ ”. (Clubs, p. 17)

According to the CEO of Club 2, the impetus for these types of discussions is coming from individual clubs (Clubs, p. 58).

The CEO of Club 1 maintained that club managers need to be licensed:

“All parties need to ... face the fact that it’s all about education and development in the long term ... so therefore there has to be a long-term strategy. Part of it has to be education [of managers] ... it has to be about providing a safe environment and ethical standards ... [Managers need to adopt] best practice [standards] ... and if [they] are not prepared to take that on, [it should be mandated that they] can’t have a license to be in this industry, whether ... a hotel, a club or a casino” (Clubs, p. 21).

In the view of the CEO of Club 2, there is need for better management education in the sector, especially for the social responsibility of gambling and financial management (Clubs, p. 50).

### 5.3.5 *Club directors*

According to the CEO of Club 1, the problems in the industry result from the inadequate capabilities of some club directors (Clubs, p. 17), although football clubs may have access to a pool of more accomplished directors (Clubs, p. 18). Directors are elected by the popular vote of members, and both interviewees insisted that that provides a poor indicator of directors' ability to competently exercise their responsibilities (Clubs, p. 18). Yet, the interviewees conceded that there is a strong sense of apathy among most members for directors' ballots (Clubs, p. 19 & 56). This means that, although election to the position of director is on the basis of popularity, only a very small number of members may be needed to elect a director to that position.

According to one interviewee, the Government is avoiding its responsibility by being weak with its stand on directors (Clubs, p. 22). He suggested that directors – as members of the industry – may need to be licensed (Clubs, p. 21).

The imposition of the Gaming Tax was supposed by the CEO of Club 2 to involve some element of punishment for past mismanagement in clubs. He suspected that the tax may also have been intended to force clubs to ensure they have more accomplished commercial management skills among their directors and managers. As a driver for change, however, he said that the Gaming Tax was too onerous:

“ ... this whole tax thing, and the State Govt's outlook on clubs ... [clubs] deserve it. They have been so arrogant for so long. They've had their snouts in the tough for so long ... [some of] these guys have no idea how to run a business ... There were huge junkets; they were riding high ... [but now] maybe the pendulum has swung completely the wrong way” (Clubs, p. 36 & 37).

Some Boards would probably like to be socially responsible, he said (Clubs, p. 55), but they are probably unsure about how to do that. He insisted that this points to the need for education on such matters.

### ***5.3.6 Government and legislation***

The State government is “mercenary” in its approach to gambling regulation and management, according to one interviewee: it appears to be too concerned about the revenue it derives from gambling (Clubs, p. 25). The other interviewee pointed to the high level of animosity among stakeholders, which has resulted from stakeholders’ previous interactions with government (Clubs, p. 52). Even when there is common ground between stakeholders, he said, there is also a level of suspicion (Clubs, p. 46).

According to the CEO of Club 2, social responsibility needs to be shown at all levels and by all stakeholders in and around the club sector (Clubs, p. 48). Because the government is itself a stakeholder, he said, it also needs to be socially responsible for the impacts of gambling. The other interviewee pointed out that government needs to engage with other stakeholders to arrive at a sector-wide understanding of what is socially responsible club management (Clubs, p. 24). However, he conceded that this is complicated by the fact that the government is itself a stakeholder (Clubs, p. 25). It was acknowledged that some of the problems in the club sector resulted from the manner in which industry had dealt with the government in the past (Clubs, p. 52). For one interviewee at least, some industry groups “deserve” the government’s outlook on clubs (Clubs, p. 36).

The CEO of Club 1 elaborated on the government’s involvement in prescribing directors’ qualifications. It has not tried to ensure that club directors have appropriate capabilities (Clubs, p. 23). He said fixing that should be the government’s responsibility (Clubs, p. 18), but it has been avoiding that. Government has been “weak” in not setting directors’ qualifications (Clubs, p. 22).

In the opinion of the CEO of Club 1, the legislation which regulates gambling creates commercial imbalances (Clubs, p. 9), which favour the casino (Clubs, p. 10). The legislation needs to be more “straightforward” and direct, he said, in rectifying these power imbalances among gambling vendors (Clubs, p. 10). Currently, the legislation invites minimalist approaches from gambling vendors: for example, the legislation

simply implements harm minimisation provisions instead of adopting best practice approaches to club management. He felt that the legislation also encourages venues to seek loopholes in its requirements, in order to avoid its full impact (Clubs, p. 10).

### ***5.3.7 Ethics and values in the club sector***

It was clear for both interviewees that businesses need to deal with ethical issues (Clubs, p. 12), but there appears to be some ignorance in the club sector about this (Clubs, p. 48). Nonetheless, for one CEO, “[people are] ... basically good ...I think maybe some of the immoral things that people may do in this industry may be through ignorance”. This supports the interviewees’ calls for education of club managers (also discussed at Section 5.3.11).

Both interviewees expressed strong views about the legislative influences of gambling. According to the CEO of Club 1, legislators do not appear to have values when developing policy relating to gambling (Clubs, p. 11). For example, he claimed that ethics were certainly not considered at the time the government was planning for the development of the casino (Clubs, p. 11). At a policy level, he said, there appeared to be a lack of “forethought” about the impacts and implications of such a gambling venue. According to the interviewees, there appeared to have been too much emphasis on the revenue to be derived from taxes.

Both interviewees questioned the ethical perspectives of government. For example:

“At the end of the day there is a whole set of agendas that have no interest in community whatsoever. With due respect to the ... government, they are a mercenary pack of shits ... they don’t care about the community”. (Clubs, p. 25)

According to the CEO of Club 1, the government is lacking in its social responsibility for problem gambling, and this suggests that the government is perceived to be lagging behind other stakeholders in its attitude to the social impacts of problem gambling (Clubs, p. 24).

### ***5.3.8 Social responsibility***

According to one interviewee, clubs are themselves “members” of the community (Clubs, p. 24). They are socially responsible, said the other interviewee, but social responsibility needs to be shown at all levels of the community, including government (Clubs, p. 48). The club industry as a whole, they said, should be socially responsible, as well as individual clubs (Clubs, p. 24).

The CEO of Club 2 made it clear that club managers need to balance social responsibility to the community with the continued financial viability of their clubs (Clubs, p. 38). For this reason, he said, social responsibility is changeable (Clubs, p. 26), and a number of different factors influence how a club’s social responsibilities should be implemented. As an example of how closely social responsibilities are connected to business management practice, the CEO of Club 1 insisted that the strategic development of that club encompasses an understanding of its community and the social needs of that community (Clubs, p. 26).

The Gaming Tax sends a confused message about social responsibility (Clubs, p. 52), according to the CEO of Club 2: tax is not an appropriate or effective way to be socially responsible (Clubs, p. 53). He said that any taxes from gambling and smoking should not be paid into consolidated revenue. Instead, they should be directly allocated to specific associated health problems that are more closely related to these issues (Clubs, p. 10).

The CEO of Club 2 claimed that the club could be more socially responsible in its current business management practices. However, it was taking a cautious approach to its community contributions because of the high level of uncertainty in the industry, especially in relation to the uncertainty about the rate of the Gaming Tax (Clubs, p. 54).

### ***5.3.9 Dealing with problem gambling***

There are myths in the community about problem gambling, said one interviewee, and these need to be “demystified” (Clubs, p. 51). Prohibition of gambling is not the answer; education is (Clubs, p. 15 & 43), he said. According to both interviewees, there is scope to conduct problem gambling awareness and education campaigns directed to club directors and managers, as well as club members. However, displaying signs in venues warning of problem gambling is not a suitable or effective form of “educating” members (Clubs, p. 15).

These comments draw attention to education as a form of early intervention in a gambler’s possible progression to problem gambling. Such “awareness” education would occur before the gambler reaches the crisis point referred to as problem gambling. Failing that, the education would be useful in directing the problem gambler to counselling assistance once that crisis point has been reached.

According to one of the interviewees, clubs should be required to operate to best practice standards that would need to make poker machines as safe as possible for players (Clubs, p. 15). The interviewee used an analogy of a ski resort. Some patrons, he argued, may get hurt because of the nature and risks associated with the “entertainment” activity: skiing. This should not be a reason for prohibiting skiing altogether: the suggestion of banning ski resorts would be ludicrous, he said. But still, the risk of injury needs some forethought and planning. The interviewee suggested that the club operator – like the ski resort operator – must be prepared for injury, and should be responsible for taking steps to reduce the impact of the injury whenever it does occur (Clubs, p. 14).

Such attention to pre-crisis interventions prompted one interviewee to argue that if clubs are forced to cut back on their gambling activities, some clubs – particularly smaller ones – may be forced to go into liquidation. He asserted that some attention needs to be given to the notion of “community wellbeing” which would be served by keeping a club operating, especially in a small community (Clubs, p. 17). Nonetheless, this interviewee

was therefore prepared to contemplate, at least in passing, a forced reduction in the number of poker machines in clubs.

### ***5.3.10 Counselling for problem gambling***

There is currently not enough access to counselling (Clubs, p. 15), according to the CEO of Club 1. For the other interviewee, clinicians should be given more emphasis in the future direction of gambling management, because of the role they play in “reducing the impacts of problem gambling” (Clubs, p. 47). This concentration on counsellors and “clinicians” draws attention to public health attributes of dealing with problem gambling.

### ***5.3.11 Education and problem gambling***

For both interviewees, educating the community is the strategy that should be adopted to deal with problem gambling (Clubs, p. 15 & 49), instead of the current strategy of harm minimisation (p. 20). Displaying signs in venues about gambling does not adequately educate the community about problem gambling (Clubs, p. 15), said one interviewee. Such comments appear to draw attention to a type of gambling management strategy that relies on community-wide early intervention or prevention as an approach for addressing problem gambling.

There is a need to start educating children when they are young, said both interviewees, while they are at school (Clubs, p. 16 & 49). In the words of one interviewee:

“Life education is really a big thing with them [children]. [As a parent] you say no to drugs, no to binge drinking, watch what you eat, practice safe sex. But what have we got for a country that stops for a horse race? What have we got for a country where everyone’s involved in a sweep for Melbourne Cup? What have we got for a country where everybody gets involved in a footy tipping competition? What have we got for a country that has the most poker machines per capita than anywhere else in the world? [We have all this] ... but no education [about the hazards of gambling].”  
(Clubs, p. 49)

There is also a need for education in the industry, according to the CEO of Club 2:

“... we need to ... start from scratch and sit [club employees] down and educate them ... re-educate them” (Clubs, p. 50).

Such education needs to address the lack of awareness about the social costs of gambling (Clubs, p. 49), he stated. Education should aim to give gambling providers a better understanding of the nature and characteristics of problem gambling (Clubs, p. 51).

This CEO insisted that club-sector education should be delivered and managed by objective third parties (Clubs, p. 50), instead of stakeholders who might have an existing interest in the gambling industries. In making this point, the interviewee gave an example of the mismanagement of awareness education for alcohol abuse, directed at professional football players. When an instance of that education was managed by a football club, the training did “lip service” to the exercise, and the authentic spirit of the education was circumvented. The interviewee spoke about a young professional football player, who had been convicted of an alcohol-related offence, but:

“...not four days before, [the footballer] attended a session ... on issues relating to binge drinking. [The educator] turned up ... for the presentation and the guy who was supposed to be [managing the session] and looking after all these young football players came and ... said [to the educator] ‘Listen, make it a quick one, mate. We’ve all been out on the piss, and we only got home at 4 o’clock this morning’. So the education has got to be substantial; it can’t just be window dressing” (Clubs, p. 50).

Despite this, one of the interviewees thought that the club sector peak bodies would need to have some involvement in the education (Clubs, p. 30)

### ***5.3.12 Harm minimisation***

The impetus for the implementation of harm minimisation as a problem gambling management strategy appears to have come from Clubs Peak Body 2, said one interviewee, apparently under pressure from some factions in the club sector (Clubs, p. 43). However, he thought that harm minimisation strategies were a knee-jerk reaction to the need for clubs to respond to the issue of problem gambling (p. 43). The strategies are



not effective, the interviewees said (Clubs, p. 42 & 43), especially when the gambler is “in the zone” and fully concentrated on playing the poker machines (p. 40).

One CEO claimed that harm minimisation relies on a system of adopting minimum standards. However, longer-term strategies are needed to deal with the issue of problem gambling, he said (Clubs, p. 21); and these would include education programs in the community and professional development for club managers and directors (Clubs, p. 20).

In addition to this, the mandatory shut-down periods for clubs (as a mechanism for limiting the impacts of prolonged periods of gambling) created inequities among the gambling vendors, according to the interviewees. While the purpose of the strategy may have been to reduce gamblers’ access to poker machines for some hours each day, in fact, when the clubs shut-down each day, gamblers simply went to the casino to continue gambling (Clubs, p. 42 & 43). The interviewees maintained that the requirement effectively created a boost for the casino’s business.

### ***5.3.13 Gaming Tax***

One CEO supposed that the tax may have been implemented as a way of circumventing some of the improper business practices, rorts and “junkets” that had taken place in the club sector in the past, (Clubs, p. 52). However, he said the tax was not a suitable way of ensuring that clubs are socially responsible for problem gambling (Clubs, p. 53).

### ***5.3.14 Planning for gambling in the State***

The interviewee from Club 1 claimed that there had apparently been no planning for the social consequences of gambling in the State (Clubs, p. 11). For example, he said, when gaming machines were introduced into pubs, there appeared to have been no knowledge or foresight of the possible impacts and implications of the increased access to gambling (Clubs, p. 12). Also, there seemed to have been a similar lack of foresight when the

government was planning for the development of the casino (Clubs, p.11). He asserted there had apparently been a situation of:

“ ... total uncontrolled access to gambling throughout the New South Wales community [and this had effectively led to] a situation where there was no control” (Clubs, p. 12)

Prohibition, on the other hand, would not be effective, according to the other interviewee, because that would contribute to the development of illegal gambling which would be even more difficult to control (Clubs, p. 43).

### ***5.3.15 Public perception of gambling***

According to the CEO of Club 2, there is an anti-gambling lobby in the community that is driven by hysteria (Clubs, p. 38) and misinformation (p. 9). “Marketing principles” are being used by this lobby to “tell” the industry how bad it is. Much of these anti-gambling sentiments are not based on facts, the other interviewee said (Clubs, p. 9). At the same time, with the developing community awareness about the impacts of problem gambling, he said the club sector needs to respond to community concerns by driving best practice as the primary management approach for dealing with problem gambling (Clubs, p. 26).

These comments indicate that, while the interviewees were concerned to respond to community sentiments about the impacts of gambling, they were also attuned to an anti-gambling influence. Such perceived differences in community perspectives on gambling could be expected to leave clubs uncertain and cautious about engaging with community groups about gambling issues.

## **5.4 Perspectives of the club sector peak bodies**

Co-researchers from two club sector peak body organisations agreed to participate in the research, and the following paragraphs outline the data obtained from my interviews with them. In respect of Clubs Peak Body 1, I interviewed both its Executive Officer and its

Education Manager. The Chief Executive Officer of Clubs Peak Body 2 was unable to participate in the research, so I interviewed a divisional manager of that organisation.

There appeared to be a marked difference in each organisation's apparent attitude to participation in the research, and this was consistent with differences in the interviewees' comments on and opinions of what was discussed. The key difference between these organisations related to their attitude toward engaging with other stakeholders. While both peak bodies expressed some reticence about engaging with others, Clubs Peak Body 2 appeared to take something of a guarded adversarial approach. Clubs Peak Body 1, on the other hand, appeared more open to engaging with others, notwithstanding the disparate views in the community about gambling, poker machines and clubs. In spite of these differences, the co-researchers from both these peak body organisations also showed some similarities in the comments and opinions expressed.

The following paragraphs lay out the themes which emerged from the interviews, drawing attention to key areas of difference and similarity in the views expressed.

#### ***5.4.1 Characteristics of the participating club sector peak bodies***

- *Clubs Peak Body 1*

Peak Body 1 has a focus on club managers. According to the interviewees, it has been in existence for 50 years, and has 2,000 members. The membership was claimed to include approximately 95% of all club Chief Executive Officers in the State, although the peak body's members are also drawn from other levels of management in clubs (Clubs Peak Bodies, p. 2). The organisation conducts a number of educational programs, ranging from accredited diploma courses in hospitality management to non-accredited workshops and seminars in areas such as responsible gambling and corporate governance. The interviewees asserted that almost all of the peak body's members would have undertaken some form of education from the programs on offer, with some level of attendance by club directors as well (Clubs Peak Bodies, p. 10).

According to its executive Officer, this peak body organisation initiated a proposal a number of years ago, partnering with one of the gambling counselling organisations, to seek government approval to go into schools to speak with children about problem gambling (Clubs Peak Bodies, p. 15). However, he maintained that the government was not supportive:

“We were very interested in an education program drilled down to school age children ... We went to government with this proposal ... by the time we went through the bureaucrats and finally got a meeting with [a politician] he was in too big a bloody hurry to see us ... We said [we] were quite happy to fund this ... [But] when we got in there, they were shifting and blowing us from one group to another ... Our conscience is clear. We are prepared to do something: we do more than talk ... [but] you listen to bureaucrats just talk about it, and [they] do nothing.” (Clubs Peak Bodies, p. 14, 16)

- *Clubs Peak Body 2*

A large proportion of New South Wales clubs constitute the membership of Peak Body 2, according to its divisional manager. The organisation is governed by an elected board, which sets the direction of the peak body. He said that this direction encompasses securing “the future of clubs in the face of a very competitive environment” (Clubs Peak Bodies, p. 27), and supporting clubs “in their efforts to do what they are doing” (Clubs Peak Bodies, p. 28). The organisation is the New South Wales affiliate of its national body and, even though there are affiliations in all States, the New South Wales organisation is the “stronger member” among them (Clubs Peak Bodies, p. 32). The interviewee pointed out that the relationship between club boards and managers is covered in a directors’ education program conducted by Peak Body 2.

The policies and “directions” of Clubs Peak Body 2 appear to be in a state of continual change (Clubs Peak Bodies, p.34). There are a number of drivers for this, he said:

“... things require you to sit up and look at protecting the industry under threat ... threats that weren’t there previously. Threats emerge all the time from every

direction – you don't know, so you have to look at the treats and change policy on that basis (Clubs Peak Bodies, p. 35)

This perceived need to regularly change policy indicates that the peak body can perhaps be thought to operate in something of a defensive mode. Such defensiveness might be expected to influence the organisation's engagement with other stakeholders, and that view would appear to be consistent with the reluctance of the peak body's CEO to participate in the research.

Clubs Peak Body 2 plays a political role in protecting the revenue source of clubs:

“Is there a political dimension? Of course there is – where gaming is a significant if not the major revenue source for clubs. Do clubs wish to protect that revenue? Does [Peak Body 2] wish to protect that revenue base for all clubs? Absolutely. Yes.” (Clubs Peak Bodies, p. 51)

In that political context, the organisation's stance could be understood to be either defensive or “offensive”:

“... things are being changed so rapidly that some people could say we've been defensive in many cases. I'm not saying that. ...I think we are pretty 'offensive', but we are not over the top. We are proactively trying to get our message across. There are things happening now actually ... there's the latest series of advertisements on TV with clubs. That's an example of trying to be proactive – actually trying to educate people about what the clubs are all about”. (Clubs Peak Bodies, p. 52)

Such attitudes to engaging with other stakeholders are taken to lend support for the contention that the peak body can be understood to take something of an adversarial stance in its relations with others. Yet, according to its divisional manager, Peak Body 2 is “obviously ... aware of all the other people in the industry, obviously we speak with them and talk, and I guess there is no difference to any other organisation in lobbying its members' interests” (Clubs Peak Bodies, p. 33).

The interviewee stated that consultation with government usually occurs after policy has been formulated:

“... the government develops their policy independently, as they should. It’s the consultation process that potentially modifies the policy directions” (Clubs Peak Bodies, p. 34)

For example, the implementation of the harm minimisation legislation involved a process which the interviewee described as one of “evolving poles”:

“... the government obviously created that policy [harm minimisation]. It consulted with us, listened to us for some things, ignored other things [then] went ahead [and] put in the legislation. Now the consultation process continues and somewhere down the track we hope ... there will be some modification to the things that don’t work ... But there is a process there.” (Clubs Peak Bodies, p. 34)

The approach articulated here points to a consultative process that is perhaps more adversarial than collaborative. The interviewee alludes to the fact that the nature of the consultation is determined by government’s approach to policy formulation, and this allows for the possibility that the peak body’s adversarial attitude to engagement with others may, to some extent, be influenced by the processes set by government.

- *Relationship between clubs peak bodies*

Despite the politically charged industry which was sometimes under threat (according to the interviewee from Clubs Peak Body 2), there was no indication that the clubs peak bodies engaged collaboratively with each other. While the interviewees claimed that each organisation had its own areas of focus, the interviews did show that both organisations were interested in some matters (such as education) where the other of them is currently operating.

In marketing terms, each organisation appears to have a separate identifiable target audience and a strategically differentiated “product” range (Kotler & Keller, 2007). However, a degree of business overlap seems obvious, at least for some of the organisations’ education products. The current marketing environment for these peak bodies could be understood to have the buoyancy to sustain both organisations. However,

in a more turbulent marketing environment, the organisations could be expected to take a more aggressive competitive stance with each other.

#### **5.4.2 Club sector**

The interviewees accepted that most clubs now “operate as commercial organisations” (Clubs Peak Bodies, p. 49). The interviewee from Peak Body 2 insisted that clubs should be allowed to continue to derive a significant proportion of their incomes from gambling, even though there are moves to make clubs less reliant on this income source (Clubs Peak Bodies, p. 40 & 41).

According to one interviewee from Peak Body 1, gambling policy should be determined collaboratively, with industry:

“ ... more representatives in the industry [need] to be part of the decision making process [in relation to problem gambling], as opposed to bureaucrats ... We probably need to have a working forum ... because there is a big gap between ... people who are making decisions on Macquarie Street [the address of the New South Wales Parliamentary offices] and the people out at [a suburban club]”. (Peak Body 1; Clubs Peak Bodies, p. 8)

There was nothing in the interview data to suggest that this approach to collaboration was similarly held by Peak Body 2.

According to Peak Body 1, clubs genuinely want to do what they can to alleviate problem gambling, but he seemed to down-play the significance of the problem:

“[Club managers] want to have social, recreational activities in their clubs that harm no-one. Now alright, we know that say 3% ... have major problems ... I dare say anyone who has ever gambled has at some stage gone over what they can afford to lose, but that doesn't make them a compulsive problem gambler. Whereas bureaucrats and governments tend to look at black and white, and you put government involved in making those sorts of decisions without the right input, and they just come up and say ‘Let's ban poker machines. That will solve the problem.’ Now, we know, or most people in the industry know that won't solve the problem”. (Clubs Peak Bodies, p. 8)

One interviewee claimed that the club sector has reduced its reliance on gambling income; not least because “social things are changing” and “younger ones [members] coming through find different ways of spending their leisure dollar” (Clubs Peak Bodies, p. 9). Also, the Gaming Tax, he said, has forced clubs to reduce their reliance on poker machine income (Clubs Peak Bodies, p. 12).

In addition, some clubs were said to have developed diversified business strategies, in efforts to derive revenue from non-gambling sources (Clubs Peak Bodies, p. 12). In most cases, too, the areas of diversification are also community-benefit activities, and the interviewee cited bowling alleys and movie theatres as examples.

According to the Executive Officer of Peak Body 1, the club sector’s performance on social responsibility is improving:

“What happened 30 years ago definitely doesn’t happen today, and the [clubs’ approach to] responsibility, likewise. As newer people [club managers] come through, they are aware of ... social responsibilities”. (Clubs Peak Bodies, p. 23)

In the opinion of an interviewee from Peak Body 1, there is now a high level of professionalism amongst club managers, although there is still room for improvement (Clubs Peak Bodies, p. 25). He claimed that club management is judged by “our lowest common denominator”, which he said is somewhat influenced by the management structure in smaller clubs:

“[There are] something like 1400 clubs [in New South Wales]; approximately 900 don’t have a club manager ... We’ve got professional managers who do the right thing and never have any problems in their club ... and everything goes right. Yet, the club down the road doesn’t have a manager. It’s run by the board. Everyone gets pissed there. If you wander up to this club, that’s what we get judged on”. (Clubs Peak Bodies, p. 25)

According to Peak Body 1, different regulatory regimes should be set up to cater for such variations in the management structures of differently sized clubs, and for the resultant variations in the professionalism with which those clubs are managed (Peak Bodies, p. 25):



“I’ve said to the government, ‘Hey, extract those 900 clubs [that do not have professional management structures] out of the equation when you are judging the club industry. Make them something different. Take the poker machine licences away from them: just give them alcohol licences and make them responsible for that’. Unfortunately, I don’t think I’ll see it”. (Clubs Peak Bodies, p. 25)

#### ***5.4.3 Club managers and CEOs***

Club managers are indeed socially responsible, according to Peak Body 1. They “don’t want problem gamblers in their place” (Clubs Peak Bodies, p. 9). Yet:

“... [club managers] are looked at worse than bloody drug dealers because the problem gambling thing is blown out so much”. (Clubs Peak Bodies, p. 10)

Although club managers are aware of the issues presented by problem gambling, he maintained that there had been attempts to make them scapegoats:

“[But] long before anyone else did anything about addressing [problem gambling] we’d already addressed it, because the club managers had said to us ‘Hey, we can see in the future that this is escalating ... What are we going to do about it?’” (Clubs Peak Bodies, p. 10)

Nonetheless, he admitted that there was a need to educate the broad group of club managers in areas such as awareness of problem gambling, and in investigating alternative income strategies away from gambling (Clubs Peak Bodies, p. 11).

#### ***5.4.4 Club directors***

Club directors sometimes understand their responsibilities differently from club managers (Clubs Peak Body 1, p. 20). Directors need to be socially responsible, insisted the interviewee, just as club managers are, but directors seem to have a different understanding of social responsibility (Peak Body 1, p. 21).

An interviewee from Peak Body 1 provided the following example of relations between directors and managers, and the perceived lack of capabilities of directors:

“Say you’ve got 13 board members [of a club], all with different opinions, all different [notions of] social responsibilities. It’s an uneasy situation. It’s not like some of the big corporates where you might have five board members; they are all top businessmen, so they know what they are about. [In clubs] we are talking about the butcher, the baker, the candlestick maker, and suddenly they’re someone because they got on the board of directors of a club that has a turnover of 100 million a year. You know it’s frightening”. (Clubs Peak Body 1, p. 21)

The Executive Officer of Peak Body 1 recalled:

“... some of the horrific stories my CEOs tell me are about what’s said at some of their board meetings. They are saying they refuse service or they want to bar this person from the club because he has caused a disturbance. [A director says] ‘Hey wait, he’s Bill’s son. He can do that’ ... [Directors] take their responsibilities on a bit differently. But the industry is changing. That’s what we can say. At least it continues to change”. (Clubs Peak Bodies, p. 21 & 22)

According to Peak Body 2, that organisation conducts a directors’ education program, which was developed with feedback from club directors and managers, amongst others (Clubs Peak Bodies, p. 31). However, all of the interviewees appeared to accept that club directors can be understood to be sometimes insufficiently skilled or qualified to effectively perform their duties. Nonetheless, with input from existing club directors, the directors’ education program would seem to be at risk of perpetuating existing questionable practice among directors, by leaving open the possibility that such practice was a preferred standard of practice. The interviewee from Peak Body 2 provided no indication that the directors’ education program benchmarked directors’ performance to a standard drawn from outside the club sector.

#### ***5.4.5 Government***

Relations between industry and government are strained, according to Peak Body 1 (Clubs Peak Bodies, p. 5). The interviewees alleged that government has indicated its apparent reluctance to engage with industry. For example, it did not respond positively

when Peak Body 1 sought to develop an initiative focussing on social responsibility (Clubs Peak Bodies, p. 4).

The interviewee also maintained that government appears to be lacking in “industry common sense”, and it needs to get a better handle on some of the problems that face the club sector (Clubs Peak Bodies, p. 5 & 8). Bureaucrats do not know about the club industry, he said, and the government’s credibility is therefore questionable. Peak Body 1 claimed that the government has got it wrong when it comes to managing problem gambling; it is apparently only involved in window dressing, for the benefit of voters (Clubs Peak Bodies, p. 17).

According to Peak Body 1, the government did not accept the body of research conducted by industry, through the Gaming Industry Operators Group (Clubs Peak Bodies, p. 5). The interviewees asserted that the government’s management of problem gambling is therefore contrary to these research findings (Clubs Peak Body 1, p. 17). The government erred badly in not anticipating the social impacts of introducing poker machines into pubs (Clubs Peak Bodies, p. 22).

#### ***5.4.6 Problem gambling***

According to the Executive Officer of Peak Body 1, the club industry, including club managers, were aware of problem gambling before the government and the Productivity Commission got involved. He stated:

“We don’t want to inflict harm upon people who are members of our clubs ... [We, Peak Body 1] see that there is a need out there to do something about people who have a problem with gambling”. (Clubs Peak Bodies, p. 3)

According to an interviewee from Peak Body 1, problem gambling is a “medical problem” (Clubs Peak Bodies, p. 6). He said:

“... we know if we can isolate the gene that causes addiction, the world will be a better place”. (Clubs Peak Bodies, p. 14)

However, there was no suggestion about how “isolating the gene” might contribute to more effective gambling management, or what approach might be taken to those with the gene.

In a similar vein, a connection between problem gambling and other social issues was noted by Peak Body 2:

“... it’s very rare that just the problem gambling is an issue. There is more than one issue with the person that has a problem; there are other psychological issues ... so you can’t just address the gambling part of it because there are other underlying serious issues that need to be addressed... It needs people [counsellors] to have a look at each person and sort of figure out where the problem is. What is the best way to treat it”. (Clubs Peak Bodies, p. 42)

As pointed out by an interviewee from Peak Body 1, the solution for dealing with problem gambling does not lie in a “collective approach”:

“Until I say I want to be helped, it doesn’t matter what the club or the government is going to do – I can get around that. There are so many forms of betting I can do now. But if I have a problem with it, I find a way of doing it – likewise alcohol. So until they [the gamblers] put their hands up [they cannot be helped]”. (Clubs Peak Bodies, p. 7)

The Executive Officer of Peak Body 1 pointed out that “society’s” understanding of problem gambling has changed. He gave this example:

“You know I ran a club [for 30 years] and [I would have said then] ‘I never had any problem gamblers’ ... But when I do look back, OK [I can recall] that bloke was probably a problem gambler, and I didn’t know it – because it was an accepted practice at the time”. (Clubs Peak Bodies, p. 12)

#### ***5.4.7 Social responsibility***

According to the interviewee from Peak Body 2, social responsibility means managing the club in ways that members expect:

“... if the members of the club say, ‘Look, next year, we want 70% of your ... surplus to go to an old people’s home up the road’, certainly, that’s exactly what has to happen. That’s social responsibility. Your members have said that’s what they want”. (Peak Body 2, p. 46)

From this perspective, the existence of a club’s community-benefit objectives is sufficient to classify its activities as socially responsible:

“[From] the way clubs are formed, it seems to me, they inherently perform social responsibility to their local community. At the level of which they are formed, they achieve social responsibility. They are not-for-profit organisations, so to me by definition they have fulfilled the goals of their members in terms of that broad concept of social responsibility”. (Peak Body 2, p. 35)

These comments suggest that the interviewee from Peak Body 2 finds no distinction between clubs’ social responsibility for their gambling activities and their broader objectives of contributing to the community. Supporting the community, it appears, satisfies the clubs’ social responsibilities. This appears to hold little regard for those who wear the negative impacts of problem gambling.

All interviewees from the peak bodies accepted that both club managers and directors need to be socially responsible (Peak Bodies, p. 20 & 47). In the opinion of one interviewee, the imposition of the Gaming Tax has meant that clubs have cut back on the extent to which they are socially responsible (Peak Body 2; Peak Bodies, p. 47).

#### ***5.4.8 Harm minimisation***

In the opinion of the interviewee from Peak Body 2, harm minimisation strategies should not restrict the play of others who do not have gambling problems, so harm minimisation should only focus on those with problems (Peak Bodies, p. 39). According to this interviewee, a “vision” for the future of harm minimisation is for systems and structures which focus on the problem gambler, and their treatment (Clubs Peak Bodies, p. 41). This perspective appears to propose problem gambling management strategies that only address the point of “crisis” for the gambler, after the gambler has progressed along the gambling continuum to the point of “problem gambling” (discussed at Section 2.7).

In addition, the interviewee also pointed out the need for a longer term education process that “immunises” the population to the dangers of gambling (Clubs Peak Bodies, p. 43). In an extension of the proposal above, this comment suggests an educational intervention at an early stage, before the gambler has reached the crisis point. However, the interviewee does not appear to contemplate any other early interventions that might more directly impact the gambling business of clubs. For example, restricting the number of poker machines to which gamblers have access would seem to represent a clear pre-crisis intervention that could be expected to reduce the level of problem gambling. It is perhaps axiomatic to suggest that restricting the number of poker machines would also limit clubs’ revenue from gambling. The interviewee’s comments are notable for their acknowledgement of the value of pre-crisis intervention, but his disinclination to contemplate any measures that might reduce the gambling business of clubs.

#### ***5.4.9 Counselling and counsellors***

In the opinion of an interviewee from Peak Body 1, it is the counsellors’ responsibility to deal with individual problem gamblers; it is not the responsibility of club managers (Clubs Peak Bodies, p. 18). Club staff, said another interviewee, should be prepared to “channel” problem gamblers through to counsellors (Clubs Peak Bodies, p. 42). Getting counselling “right” is part of the evolution of harm minimisation, said one interviewee (Clubs Peak Bodies, p. 42 & 43). Counsellors should be registered, it was said, and there should be a mechanism for counsellors to feed back to government and the industry (Clubs Peak Bodies, p. 19 & 20). This appears to restrict clubs’ responsibility for problem gambling by deflecting responsibility to counsellors and, to some extent to club employees.

#### ***5.4.10 Gaming Tax***

The tax has forced clubs to be more commercially oriented and to investigate diversified business strategies, according to Peak Body 1 (Clubs Peak Bodies, p. 12).

Another interviewee pointed out that, at the same time, the Gaming Tax is inducing clubs to cut back on the level of their “socially responsible” activities (Peak Body 2, p. 47), because they simply do not have the resources to continue to contribute to the community as they did before the tax. Even so, according to this interviewee, the Gaming Tax is not considered to be an enforced approach to social responsibility (Peak Body 2, p. 48).

#### ***5.4.11 Dealing with problem gambling***

The solution to problem gambling lies in recognising the “medical problem”, according to Peak Body 1 (Clubs Peak Bodies, p. 6). Problem gamblers need to “put their hand up” and “want to be helped ... it doesn’t matter what the club or the government’s going to do” (Clubs Peak Body 1, p. 7).

For another interviewee, the future influences for dealing with problem gambling will require providing education to club staff to enable them to identify problem gambling, so the person identified can then be “channelled” into counselling (Clubs Peak Body 2, p. 41 & 42).

These comments draw attention to a relatively narrow view that problem gambling is a matter of the individual responsibility of the gambler. It is not explicit, but the implication is that problem gambling is not a matter for the gambling provider, and this appears consistent with the interviewees’ attitude to social responsibility (discussed at Section 5.4.7).

### **5.5 Perspectives of state government**

The following Sections outline the data obtained from officers of the New South Wales State Government who participated in the research. This discussion does not propose to represent an official state government perspective: governmental articulation of its

perspective on gambling is its 2005 response to a 2004 report of the Independent Pricing and Regulatory Tribunal. (This is discussed at Section 2.8).

Nonetheless, in seeking to recruit a participant from the state government who might have been in a position to represent the government's perspective at the *Problem Gambling Network Forum* (discussed at Section 4.5.3), I wrote to the relevant Minister, and invited him to participate. The Minister's office referred my invitation to an appropriate state government department, but I received no response from the department.

Independently, following a snowballing suggestion from another stakeholder, I contacted an officer of the department, who agreed to participate. In turn, she referred me to a more senior departmental officer who also agreed to participate. At their request, I interviewed these officers together. I took the request to be interviewed together as an attempt to project a common departmental perspective on the matters to be discussed at the interview.

Interviewee 1 worked in a strategic and high-level administrative role in the department, and had a public sector background in "policy management" (State Govt, p. 7).

Interviewee 2, on the other hand, had a policy development role in the department, and a work history that included public issues policy for a governmental instrumentality (which was not affiliated with the department where she was employed at the time of my interview).

While they were departmental colleagues, the interviewees worked in different sections and at different levels of the department's hierarchy. I understood this to contribute to a subtle difference in the interviewees' focus and outlook on some of the matters discussed at the interview, though their comments indicated that they were generally in agreement. For example, Interviewee 1 spoke extensively about the department's relations with the club sector and about the business management strategies of clubs. Interviewee 2, on the other hand, talked with confidence about the impact of gambling in the community and some of the policy approaches to regulating gambling.



To some extent, I took the differences in the interviewees' focus and outlook to stem from their professional backgrounds. Where appropriate to the discussion, the following text draws attention to the interviewees' individual views on the matters discussed. Interestingly, both interviewees disclaimed any particular first-hand knowledge or experience of clubs or the club sector. In the words of Interviewee 1:

“I'm not a club person. The last time I played a poker machine, it had a handle.”  
(State Govt, p. 21)

The following themes emerged from my interview with the State government officers.

### ***5.5.1 Gambling-related functions of the department***

The interviewees acknowledged that the department was responsible for gambling policy and administration of treatment programs in respect of problem gambling (State Govt, p. 1). In this context, “treatment” was taken to involve the administrative activity relating to implementation of, and funding for, the government's responsible gambling policy (State Govt, p. 2). The interviewees also acknowledged that this highlighted a “duality” of functions for the government, because it was responsible for formulating policy and also for implementing it through, among other activities, the funding of treatment programs. This duality of functions had led to problems in the past, according to Interviewee 1, who admitted that the government's approach to the management of problem gambling “doesn't fit neatly into a model” (State Govt, p. 5). He mentioned that the problems were to be addressed in an imminent re-organisation of the department (State Govt. p. 3).

This interview was conducted on 7 April 2005, and the foreshadowed departmental re-organisation occurred in March 2006. As part of that re-organisation, the department was merged with another department in the State government, and the gambling policy and administration unit was then downsized to a lower status within the merged departmental structure. After the re-organisation, however, the downsized unit maintained the dual functions of policy formulation and administration, as before. In the following discussion,

“the department” is used to refer to this State government unit that had responsibility for gambling policy formulation and administration.

The interviewees also acknowledged that, in addition to these dual functions, the government is also a “beneficiary” of gambling, in its capacity as the recipient of gaming taxes. In the words of Interviewee 1:

“... [the department’s responsibility for gambling] has been there for historical ... [and] cultural reasons and, although there are the gamekeeper and poacher sort of thing ... we don’t have a perfect ... theoretical world... But the department was the regulator of the racing industry and for historical reasons they picked up the [Responsible Gambling Fund] (which money comes from the casino) which goes into providing a range of [treatment] services” (State Govt, p. 2 & 3)

This historical perspective on the department’s involvement in the management of gambling draws attention to the complex nature of its responsibilities. In the contemporary context of gambling in the State, the department therefore has the multiple functions outlined above, but its responsibilities also extend to the full range of gambling providers (for example, horse racing, pubs and the casino). The department also has responsibility for policy and administration of the alcohol industries.

These multiple functions of the department are further complicated by the suggestion, put by Interviewee 1, that the government also takes several stakeholder positions in the gambling industries. He pointed out that the department occupies a position on behalf of the community, to protect the interests of the community at a broad level (State Govt, p. 7).

With its origins as the regulator of the horse racing industry, the current activities of the department can be understood to be highly complex. Its contemporary responsibilities, especially for policy and treatment of problem gambling, require it to address apparently more problematical issues than in the past. The discipline areas of particular focus for the department are now so significantly more sophisticated and intricate as to be hardly recognisable at all from its original tangential connections (through gambling) with horse

racing. In such circumstances, attention can attach to the government's ability to keep abreast with the pace of change in the community.

- *Gambling policy formulation*

Interviewee 1 conceded that, in the early days, the department made policy “on the run” (State Govt, p. 11). Now, according to the other interviewee, the department's current policy:

“... doesn't talk a lot of prevention, because that was always supposed to be in another document that acknowledges that, to deal with problem gambling, you need a continuous process, so you don't wait for a crisis to occur – it's a bit like a public health model ... where you have early intervention and prevention, which could include campaigns ... [like] supporting families, focussing on risk right through”. (State Govt, p. 3)

It had been intended, said Interviewee 2, that the department would later release a policy document covering early intervention and prevention strategies (State Govt, p. 3). This type of policy would take the department's approach beyond the “treatment” focus (State Govt, p. 13), by including “prevention”. However, the interviewee suspected that that type of expanded public health model approach was “too much for the department to deal with” (State Govt 2, p. 3).

Interviewee 2 pointed out that, in other States, the welfare, health and research functions on public health issues like problem gambling are devolved to a department which is separate from the one responsible for policy and regulation. Interviewee 1, however, interjected with the suggestion that there was a political dimension to the New South Wales structure that sees the one department assuming the multiple functions of policy formulation, regulation, welfare and research (State Govt, p. 27). This comprehensive claim over gambling by the State government – which gives it responsibility for, among other things, administering “treatment” and welfare services – is consistent with the department's declaration to claim “unambiguous” control of gambling administration and management (discussed at Section 2.8).

- *Gambling policy administration and treatment programs*

When the expanded public health model policy was not progressed, as revealed by Interviewee 2 above, the department effectively maintained its focus on funding “treatment” services. The interviewee explained the government’s approach like this:

“[The] department was at that stage running treatment as an administrative program, so ... they give you the money, in six months’ time you send [them] an invoice and show [them] what you’ve done for that six months ... [and they] give you more money. I think what [the department] wanted was [to understand] how could we do this better, and I don’t think it was able to grapple with the idea that the [policy framework] document should be bigger ... So the committee that coordinated the writing of the policy framework were told to focus on treatment ... which of course means that the document is out of step with every other public health issue” (State Govt, p. 3)

This statement can be understood to be a reasonably plain criticism of the government’s current approach to gambling management and administration. Underlying this criticism is the interviewee’s understanding of problem gambling as a “public health issue”.

### ***5.5.2 Problem gambling***

In describing problem gambling, Interviewee 2 drew a connection with the public health approach mentioned in the previous Section:

“... problem gambling is when the gambling becomes an issue – a problem – by the gambler or his or her family ... It’s about when the activity starts becoming a problem ... it’s more consistent with the health approach ... it’s not trying to ... demonise a problem gambler”. (State Govt, p. 6)

The same interviewee went on to highlight a social and cultural context of problem gambling:

“... the definition of problem gambling can then actually acknowledge that it happens in a social or cultural context, rather than just focussing on this lone individual who’s got this psychosis or something ... which is obviously important for a clinician dealing

with the person, but for us looking at the big picture, I think that broader definition [is] ... more useful" (State Govt, p. 7)

For Interviewee 2, therefore, there appears to be the "social or cultural context" of problem *gambling*, and understandings about this phenomenon can be achieved, in the interviewee's words, by "looking at the big picture". This approach can be taken to involve "the public health approach" that encompasses the "continuous process" and "prevention". The problem *gambler*, on the other hand, is the "lone individual who's got this psychosis or something": someone who the interviewee finds to connect with "a clinician". This perspective seemed to be shared by Interviewee 1, who mentioned that problem gambling is a collective issue, involving industry, government, gamblers and the community (State Govt, p. 8).

These views contrast with those expressed by the Club Peak Bodies who appeared to contemplate problem gambling as a matter of individual responsibility for the gambler (discussed at Section 5.4.11).

### ***5.5.3 Government strategies for dealing with problem gambling***

Interviewee 1 maintained that the management of problem gambling is "such an embryonic young area" (State Govt, p. 26). However, the other interviewee pointed out that:

"This [gambling] is an industry that is legitimate; the activity is legitimate. We are not going to ban it ... so how do we create an environment where this can be managed as responsibly as possible? ... and also [we need to decide how to] ... set up some criteria so that we can measure that as well". (State Govt, p. 21)

Interviewee 2 explained how a public health model for managing problem gambling might be implemented:

"... you acknowledge that an activity is here to stay, so ... 'Well, OK, for some people, something is a problem, so how do we make that activity as safe as possible?' And so you look at things like regulation, awareness education, [managing the environment], treatment, enforcement ... I guess this feels like a philosophy, in a way.

And it's also about acknowledging that people move in and out of problems". (State Govt, p. 6)

"... in terms of services we are still talking about "treatment", and yet [in areas like] drug and alcohol [and] sexual health ...the discussions have moved beyond "treatment", and the fact that we [in the area of gambling still] focus on "treatment" shows where we are at the moment" (State Govt, p. 13)

"That's why working with [the Department of] Health would be a good thing ... we can't just abandon treatment. [But] we do need to move on ... You can't [move towards a public health model] tomorrow ... it took drug and alcohol a while to move away from predominantly treatment ... it's almost like there seems to be a progression, and you have to follow that progression in a way, because you have to bring the people with you" (State Govt, p. 13)

The interviewee's comments can be understood to suggest some veiled criticism of the department's approach, at least because the department has not yet "moved beyond treatment". These comments also suggest some tension with the views of Interviewee 1: he appeared to disagree with the suggestion by Interviewee 2 that the Department of Health should be involved in the management of problem gambling, in view of its public health perspective. For Interviewee 1, the department's "responsible gambling program" (discussed at Section 2.7) should not form part of the Health Department portfolio because:

"... IPART [in its 2004 report] said they didn't see any interesting merit in that so long as you have good linkages [with Health]". (State Govt, p. 3)

Tensions between the different models are to be expected, according to Interviewee 1, especially because what the department is doing "doesn't fit neatly into a model" (State Govt, p. 5). The discussion appeared to suggest a degree of tension in the views expressed by the Interviewees from the department.

#### ***5.5.4 Harm Minimisation***

The interviewees accepted that the harm minimisation strategies were insufficient to adequately address problem gambling, but they also acknowledged that harm

minimisation is a matter that needs constant improvement (State Govt, p. 9). Interviewee 1 said:

“... some scallywags in the industry are saying that there’s no credible data ... so we [shouldn’t have] harm minimisation ... [because] we can’t prove it works ... [but] I think some of the packages stuff we are doing now is fine”. (State Govt, p. 9)

### ***5.5.5 Club sector and gambling***

The gambling industries are a big player in the management of problem gambling, according to Interviewee 1 (State Govt, p. 7). However, there is scope for clubs to take more effective involvement in gambling management. He said:

“... one of the biggest weaknesses is the industry – clubs and pubs. They could play a lot more practical, proactive role in being part of the treatment services and network, education networks”. (State Govt, p. 9)

“...if a problem confronts [industry], they just run away, or management goes ‘Oh, shit, what do I do?’ [Industry] can be more proactive in working with harm minimisation and [counselling] networks that the community is trying to establish”. (State Govt Interviewee 1, p. 9 & 10)

“... in smaller establishments, I understand how it is, ‘I got too much to do’. I understand that, but all you are asking them to do is have a reasonable working knowledge of what’s around in their community [counselling services] to support [people with gambling problems]”. (State Govt, p. 10)

Industry’s problems, he said, could be:

“... management laziness, couldn’t be bothered, not my problem... There would be a bit of fear too: they [industry] think that as soon as we acknowledge that this is a problem, given that everything is very precarious at the moment, they might be thinking that this means [government] is sort of saying [industry is] the cause of the problem – which isn’t the case” (State Govt, p. 10):

At a broader level of change across the industry, Interviewee 1 said:

“[Change has] got to be industry wide and driven, and [Industry] is going to have to get it started and to drive it. Actually, it’s going to have to be a joint venture with the government: government peeling away, peeling away at the industry [which must] modernise themselves. Some are going to have to rationalise a fair bit to survive. I

can't provide five bowling clubs in one little town; it's just too expensive. Governance has to change, and that needs to modernise. It's quite a challenge because you have to modernise your management techniques; you have to make your [industry] governance more transparent ... It's hard when you're used to boofy old men; it's hard to change. It's a big challenge, but they are going to have to do it otherwise the industry will fall apart". (State Govt Interviewee 1, p. 19)

The need for clubs to cope with the necessary changes to the club sector was explained thus:

"... it is a difficulty of trying to get them to understand about their part of this holistic responsibility; and to try and get to the fear they have that this is too big and scary". (State Govt, p. 15)

Taken together, the foregoing critical comments appear to suggest that, in the opinion of the interviewees, there are a number of shortcomings in the clubs' attitude to problem gambling, and that the club sector will be required to undergo a level of change. If this can be seen to be something of a deflection of public responsibility for problem gambling to clubs, it would appear to offer similarities to the Federal Government's deflection of responsibility for social issues, through CSR, to corporations. This was discussed in Section 3.5.

However, according to Interviewee 2, the club industry is managing responsible service of alcohol (State Govt, p. 16), and some in the club sector are already socially responsible for their gambling business:

"... you see some very good examples of this stuff .. and some absolute shockers". (State Govt, p. 19)

In relation to managing the required change, Interviewee 1 thought that "[Clubs Peak Body 2] as the peak body should take a stronger role" (State Govt, p. 14). He said:

"... it's a generally challenging view once [industry realise] they have to become more commercial to enable them to provide the service they should be providing for that community ... but they can't be so commercial that they forget why they are a service club [to benefit the community]". (State Govt, p. 19)



Interviewee 1 pointed out that pubs are commercial enterprises (as opposed to clubs which are community-benefit organisations): but pubs also “do a lot in the community” (State Govt, p. 20).

### **5.5.6 Club directors**

Interviewee 1 drew attention to the need for changes among directors:

“It’s an enormous challenge ... improving club governance. In a big club, they are big, big businesses and their boards of directors unfortunately are still boofy old Aussie blokes, in their 50s and 60s. And the industry has realised that all those things have got to change”. (State Govt, p. 12)

Also, he said the relationship between the boards of directors and CEOs appears to be a “constant battle” (State Govt, p. 12). It’s “cultural change we are talking about [developing the professional competencies of directors]” and “you can’t underestimate how big this issue is”, he warned (State Govt, p. 12). The interviewee announced that the department was to implement changes that would require directors to receive training both before and after election to their positions, and there would also be a “change of the election process” (State Govt, p. 20).

After these comments were made, a Club Industry Working Group (consisting of government representatives, club sector peak body organisations and “highly experienced” club CEOs) “developed” a series of changes to the *Registered Clubs Act 1976* during 2006 (NSW Office of Liquor, Gaming and Racing, 2007). The *Registered Clubs Amendment Act 2006* addressed the changes foreshadowed by Interviewee 1. These changes focussed on the election of directors in clubs with more than 10,000 members: in those clubs elections must be conducted by an approved third party. However, only 175 clubs have memberships of this size (NSW OLGR, 2007), and given that the total number of clubs in the State as at 31 May 2006 was recorded to be 1,352 (Department of Arts, Sport and Recreation 2007), this enhanced transparency in the process of electing directors would appear to have very limited impact on the club sector.

In addition to this change, requirements for the education of directors were also covered in the 2006 amendments. The Amendment Act reads:

“A person is not eligible to stand for election as a member of the governing body of the club unless the person declares that the person has received the education and training material for club directors that is approved ... (*Registered Clubs Amendment Act 2006*, Schedule 1, para 15)

The effect of this change is that, before candidates can stand for election as directors, they must simply have “received” the education and training materials. The provision seems ludicrous: it apparently assumes that mere receipt of the training materials automatically imparts knowledge of and skills in the matters covered in them. In this light, it is difficult to understand how the amendments will have any impact on the knowledge or skill levels of directors.

This understanding of the 2006 legislative amendments suggests that the changes were, in fact, a rhetorical whitewash. While the amendments did address the governance problems identified by the interviewee as requiring attention, the impact of the changes are counterproductive. Not only are the changes ineffectual to overcome the perceived problems, their existence are understood to make the possibility of future substantive and effective change more difficult, in the future.

This outcome also calls attention to the *bona fides* of the newly formed Club Industry Working Group, as well as the government. Given the impacts of the 2006 amendments, they can be seen to be complicit in the whitewash.

### ***5.5.7 Government relations with other stakeholders***

As an indication of the department’s attitude to implementing change, Interviewee 1 said:

“[When] changing the culture, we can’t go too fast ... so, it’s softly, softly, [Although] some in the industry are more cooperative than others”. (State Govt, p. 21).

In relation to the department's relationships with other stakeholders, he said it did not have any "official ... statutory" networks, although there are a number of informal, unofficial connections with clubs, peak bodies, club sector suppliers and community groups (State Govt, p. 24, 25 & 26).

Interviewee 2 took a different focus on the department's relationships:

"... our main relationship is with our own funded services [organisations funded by the department to provide 'treatment' services] and obviously that's not always an equal relationship, because we hold the purse strings, and people are sometimes afraid of us as a department ... that's an unfortunate situation ... we don't want it to be like that". (State Govt, p. 25)

### **5.6 Perspectives of the community welfare peak body**

Adopting the snowballing technique used to recruit participants, a State-wide peak body for the social and community welfare services sector was identified as a possible participant. The organisation operates as a company limited by guarantee, and its membership consists of a wide range of community-based groups and services across New South Wales, including charities, religious groups, hospitals, local councils and consumer organisations as well as aged, disability and child care services. Proclaiming interest in 30 different social policy areas, the organisation has peak body status with government. One of its social policy areas is gambling (Comm. Peak Body, p. 1).

The peak body agreed to participate in the research, and the representative I interviewed was the Deputy Director. This person had responsibility for gambling policy and for the organisation's activities relating to the Community Development Support Expenditure Scheme (discussed at Section 2.6.1).

The following themes are taken from the data obtained from my interview with the representative of this peak body.

### ***5.6.1 Characteristics and functions of the peak body organisation***

The interviewee pointed out that, as a peak body for community-based welfare services and groups, the organisation does not provide any direct services. Its primary role is around policy and advocacy (Comm. Peak Body, p. 2), with some 80% of its funding drawn from the state government (p. 20). It is the members or “constituents” of the peak body which are at the coalface, dealing with people experiencing difficulties (Comm. Peak Body, p. 3).

The organisation’s social policy interests in gambling extend to conducting social impact assessments of poker machines in venues, the interviewee said (Comm. Peak Body, p. 1).

Also:

“... our understanding of problem gambling and the impacts of problem gamblers is around the impacts on families and their wellbeing – their wellbeing in terms of domestic violence, financial disadvantage – and [around] the policy and the legislative initiatives of the government. We are particularly focussed on the need to bring some independence within the [state government] department ... having the policy [function] and the regulator all combined into one”. (Comm. Peak Body, p. 2 & 3)

The interviewee claimed that the peak body has strong links with the relevant state Minister’s office, as well as the government department. While these relationships are productive and “fairly open”, she said, the parties can be “at different ends of the spectrum, particularly when you start talking about the need to have an independent gaming commission” (Comm. Peak Body, p. 3). According to the interviewee, the peak body organisation has a weaker power position in its relationship with government, especially because the organisation looks to government for most of its funding (Comm. Peak Body, p. 4).

The peak body is on “different wavelengths” with clubs and pubs, the interviewee said. However, with clubs, there is “certainly a better understanding between us”, in comparison with pubs (Comm. Peak Body, p. 18).

### **5.6.2 Government**

“... when you’ve got a gambling industry where government gets a percentage of the profit, it’s always going to be in conflict”. (Comm. Peak Body, p. 4)

The interviewee pointed out that government’s reliance on revenue from gambling causes a “conflict” with its policy development and regulatory responsibilities (Comm. Peak Body, p. 4). That the government does not apparently see this conflict is itself a problem, she said, particularly in view of the “incredibly strong lobby” of the clubs sector (Comm. Peak Body, p. 4).

The interviewee explained that the peak body does not receive funding specifically in respect of its work in problem gambling. She alleged that the government is unsympathetic to the organisation’s policy and advocacy activities around problem gambling. She said:

“... put the word ‘advocacy’ into [a funding application for problem gambling] and ... you won’t get it ... you just get ignored completely”. (Comm. Peak Body, p. 21)

### **5.6.3 Independent gambling body**

The interviewee stated that the peak body has argued for an “independent gaming commission”:

“Our view is that there is nothing available in New South Wales that indicates that there is some level of independence – that can have some oversight of [the government’s dual functions of policy development/regulation and revenue recipient from gambling]. There is no ombudsman to take due care with those people who may have problems or be experiencing difficulties with the [gambling] industries”. (Comm. Peak Body, p. 3)

According to the interviewee, there is need for higher levels of transparency and accountability from government (Comm. Peak Body, p. 3).

In a previous gambling forum arranged by a parliamentarian, the peak body representative was “hailed down” by industry (Comm. Peak Body, p. 7). She therefore supposed that the organisation needs to adopt a different strategy in arguing for an independent gaming body. Research should be conducted to determine the effectiveness of the independent commission, but she suspected that funding for such a study is unlikely to be forthcoming (Comm. Peak Body, p. 5).

The interviewee understands that the gambling industry does not support the call for an independent gaming commission, possibly because the industry is too suspicious (Comm. Peak Body, p. 18).

“... I don’t think everybody should be terribly alarmed by having some independent [body] to have oversight of what they do”. (Comm. Peak Body, p. 6)

The independent commission would give the industry “some integrity”, the interviewee said, (Comm. Peak Body, p. 6), and it can assist to “balance” the industry’s social responsibilities (Comm. Peak Body, p. 18).

#### **5.6.4 Clubs**

The interviewee insisted that governance in clubs is lacking:

“... they need to make sure that their corporate governance is fairly rigid, and they’ve got good procedures in place to make sure that everyone is accountable”. (Comm. Peak Body, p. 10)

The attributes of directors are also a matter of concern, according to the interviewee:

“... I don’t know whether it’s a blokie thing ... but yes, clubs are predominantly male, and they are governed predominantly by males, and it seems that’s all in the criteria that they’ve used in the past ... [when deciding] where clubs wanted to put their money ... I just think it will be really nice to see some younger blokes coming into the area of governance”. (Comm. Peak Body, p. 9 & 10)

The interviewee acknowledged that such limitations on the ability of directors place “a heavier reliance on the management” of clubs. She said:

“... you do tend to see a lot more younger people moving up into the management field within the industry and they do bring a different perspective”. (Comm. Peak Body, p. 10)

Stakeholder collaboration was thought by the interviewee to be a useful way forward for the club sector:

“I think it’s always good to have ... a forum where you can sit down and exchange views, and it’s not so threatening – so clubs don’t feel they’ve been got at”. (Comm. Peak Body, p. 15)

This quote suggests that the club sector is understood by the interviewee to be the recipient of antagonism from other stakeholders.

#### ***5.6.5 Community contributions of clubs***

According to the interviewee, there is a tendency for many clubs to make contributions to community beneficiaries which will put the clubs in a favourable light. So, for example, clubs focus on “sexy” issues, she said: “things that tug at the heart strings, things that are emotive” (Comm. Peak Body, p. 8).

“... while I applaud them for making those contributions, our community is much wider than that”. (Comm. Peak Body, p. 8)

With reference to the matter of gender raised in Section 5.6.4 above, the interviewee said that many clubs appear to be less mindful of issues of relevance to women: “places like women’s refuges” (Comm. Peak Body, p. 8).

So, she stated, many contributions by clubs appear to have a marketing perspective:

“One club that I know of produced a video and played emotional music behind it to show what they were doing and, yes, it showed a picture of the kids in hospital, in cancer research ... that’s all marketing”. (Comm. Peak Body, p. 8 & 9)

A connection can be made between this statement and the notions of “cause-related marketing” and the “enlightened self-interest” approach to social responsibility, discussed at Section 3.3.2.

### ***5.6.6 Education about gambling***

The interviewee claimed that media campaigns providing problem gambling awareness education often lead to consequential increases in demand for support services, such as counselling. Sometimes, however, those services are not available to meet the spiked demand resulting from the educational campaign (Comm. Peak Body, p. 22). There needs to be some coordination, she said, between the funding for the educational campaigns and the resources allocated to support services.

Also, the interviewee pointed out that there is a concern about the messages that some of these educational campaigns are delivering (Comm. Peak Body, p. 23): “they are different messages”. The interviewee said:

“I just don’t think there’s enough done to determine whether or not those education campaigns work effectively, or [whether] those that exist have been done right”. (Comm. Peak Body, p. 23)

This quote draws attention to questions about the objectivity and adequacy of gambling awareness educational campaigns, especially as there does not appear to be any restrictions on any stakeholders from conducting their own perspective of gambling awareness “education”. Accordingly, those stakeholders with better access to financial resources, for example, would presumably have better scope to “educate” the community in the paradigm that better supports their perspectives on gambling. Because the club sector and the State government have the strongest financial standing among the stakeholders around problem gambling, their perspectives can therefore be expected to be



the most heard in the community. There are similarities here with the critical view of the self-regulatory approach to social responsibility discussed at Section 3.3.2. On this view, companies have been shown to engage with social agendas for their own ends, by diluting or deflecting societal pressures. The situation raised by the interviewee appears to offer an example of this.

### **5.7 Perspectives of the problem gambling counselling services**

Two organisations which provide counselling services for problem gambling were invited to participate in the research. Both organisations were referred to me by other participants, and both were said to be significant providers of counselling for problem gambling. Both agreed to participate.

While there was a degree of consistency in the interviewees' opinions about many of the issues covered, they appeared to have varied experiences and approaches on a number of issues. I understood these variations to result from the characteristics of the organisations and, to some extent perhaps, from the personal attributes of the interviewees.

The interviewee from Counselling Service 1 headed a departmental unit that had responsibility for counselling on drug and alcohol issues, as well as gambling (Counselling Services, p. 25). The interviewee and his organisation had strong connections with the New South Wales Health Department, but weaker links with the government department responsible for gambling regulation and administration (Counselling Services, p. 43). The interviewee made frequent references to a health model for dealing with gambling problems, and to similarities between treating problem gambling and drug and alcohol issues. Issues surrounding the funding of problem gambling counselling services were a recurring theme during the interview.

On the other hand, the interviewee from Counselling Service 2 managed what he claimed to be the State's largest provider of counselling for problem gambling (Counselling Services, p. 52). The activities of this service were focussed solely on problem gambling

(Counselling Services, p. 50), and there were a number of references to the credibility of this organisation with both industry and government. A theme of this interview was the importance of collaboration among stakeholders, especially with government, in the development of effective and efficient management strategies for dealing with problem gambling (Counselling Services, p. 52 & 60). Unlike all other participants in the research, this interviewee did not express any critical comments about any of the other stakeholders. I understood this to be consistent with the interviewee's emphasis on collaboration among the stakeholders, and with his apparent concern for the organisation's "credibility" with industry and government. This interviewee said he would like to be part of a multi-stakeholder "Gambling Industry Consultative Committee" (Counselling Services, p. 60), and I took his uncritical approach to be in pursuit of that.

The following Sections outline the data obtained from these interviews.

### ***5.7.1 Characteristics of the participating counselling organisations***

- ***Counselling Service 1***

Counselling Service 1 is part of a religious body, and adopts a 12-step model in its treatment for problem gambling. Treatment is available for problem gamblers as well as their families, and the interviewee was the manager of the organisation's social programs (which include drug, alcohol and gambling treatment activities). He was also a board member of the Network of Alcohol and Drug Agencies (NADA), which consists of more than 100 agencies and is funded by the New South Wales Health Department to be a representative body for the NGO sector.

The interviewee's reference to NADA highlights the absence of a similar body for the gambling industries, and so points to the possibility of this type of collaborative complexity around problem gambling.

Assisting gamblers is part of the strategic direction of the organisation, he said:

“... because the number of people that are identifying with problems relating to gambling is increasing, and getting younger all the time ... [and] more people are gambling” (Counselling Services, p. 38).

Counselling Service 1 was in a notable alliance with a large club. Under the alliance the counselling organisation provided counselling services at a problem gambling counselling centre, which was partly funded by the club.

The interviewee pointed out that, despite the alliance, the counselling organisation and the club have fundamentally different philosophical attitudes to gambling:

“[Counselling Service 1] doesn’t support gambling in any form ... I mean that’s part of who [the organisation] is ... and we are very clear on that with [the club], but there is enough common ground in terms of us wanting to alleviate the negative impacts of gambling and them wanting to not have problem gamblers ... We certainly won’t be turning their problem gamblers into social gamblers ... Anyone we take into our caseload, we will be looking at those people ceasing gambling [altogether]” (Counselling Services, p. 28 & 29)

At the suggestion that such alliances may indicate that Counselling Service 1 is “getting into bed with the other side”, the interviewee stated:

“... my response to that [is] somewhat tongue in cheek – we might be getting into bed with them, but we are keeping our uniforms on ... so there is a sense in which we are publicly saying who we are and what we are about, and if they [the club] want to work with us they just have to accept that, which they do” (Counselling Services, p. 29)

This collaboration is taken to have allowed both the counselling organisation and the club to maintain their individual fundamental perspectives on gambling. Yet, by forming the alliance, they have shown a willingness to acknowledge the other’s perspective or position.

According to its manager, the future of Counselling Service 1 will involve working collaboratively with the gambling industries and with other counselling service providers (Counselling Services, p. 47).

- *Counselling Service 2*

Counselling Service 2 was the gambling and financial counselling arm of a religious organisation's counselling service, the interviewee said (Counselling Services, p. 50). He was the manager of that arm. He explained:

“So my part is very collaborative; working with all the players in the field [the gambling industries, government and other welfare services] to bring the best benefit we can for people that are adversely affected by problem gambling” (Counselling Services, p. 50)

This counselling service provider also is opposed to gambling in any form but, according to its manager, it is also prepared to work with the gambling industries to eliminate the negative impacts of gambling (Counselling Services, p. 52).

Counselling Service 2 was claimed to have strong collaborative links with the club sector:

“Even before the [responsible gambling] legislation was in place, we've had relationships with different clubs throughout New South Wales ... I believe we have a strong relationship especially with [Peak Body 2], and that's been built up over a number of years ... I suppose we have that credibility ... in partnership with [Peak Body 2] we have developed this innovative program ... [providing individual clubs with a counselling referral service]”. (Counselling Services, p. 52 & 53)

Some 50 percent of the client base of Counselling Service 2 is sourced through its relationships with the club sector, the manager said (Counselling Services, p. 53).

However, he said it is a limitation of gambling counselling that the service providers are only able to work with those who “put their hands up and say: ‘I think I got a problem. I need help’.” (Counselling Services, p. 50)

### ***5.7.2 Strategies for managing problem gambling***

According to the manager of Counselling Service 2, some of the strategies for dealing with problem gambling have not been well thought through:

“... people say ‘we can use this’. But I’m not sure they understand it and why it was developed in the first place ... so in a rush to sort of look at how we can fix [problem gambling], people are coming up with great economic ideas [which are] couched in health terms”. (Counselling Services, p. 63)

He stated the self-exclusion program – where gamblers can nominate themselves to be excluded from a club – is an example of an ill-conceived and poorly thought-through strategy for managing problem gambling. He said:

“It doesn’t work ... I think a lot of [gamblers] use it for appeasement, because they get into trouble ... they go and say [to a staff member in the club], ‘I’ve just blown all my money in your venue. You’ll have to help me’. Then [the staff member] says, ‘Listen, we’ve got a self-exclusion program’. [The gambler says] ‘I’ll take that’; because in the back of their mind they think, ‘I’m really going to be in it when I get home ... So they will use [self-exclusion] as an appeasement; when they get home they just say, ‘I’m in big trouble ... ‘But I’ve done something about it’, and they pull out the piece of paper and say, ‘I’ve self-excluded’ ... [knowing of course that there is ‘a pub on the next corner’] ... and there is no policing of that”. (Counselling Services, p. 61 & 62)

But, according to the interviewee, there is a place for self-exclusion when it is supported by a counselling framework and “it’s part of the treatment process”. He said:

“I wonder if someone had heard about self exclusion in another context, [and thinks] ‘Yeah, we’ll have one of those’, and self-exclusion then is implemented into the industry in a short cut sort of way that doesn’t have that counselling underpinning”. (Counselling Services, p. 62)

Some of the harm minimisation strategies work: “Some do, some don’t ... it all depends on ... the [gambler]” (Counselling Services, p. 63). The interviewee said:

“... the harm minimisation strategies that are currently out there might work for social gamblers who are perhaps on the way to developing a serious problem. But there are those who have a serious problem, those who are ‘in the zone’ ... those who are playing a machine ... [the] current strategies don’t work for them”. (Counselling Services, p. 64)

This comment draws attention to the easy access to poker machine gambling in New South Wales, and the interviewee was taken to imply that reducing access to gambling would overcome the difficulty of targeting gamblers who are “in the zone”.

According to the manager of Counselling Service 2, there is a difficulty in attempting to assist someone who does not admit to a gambling problem:

“... but we really need to concentrate on how we can really help somebody that doesn't want to be helped ... How do you help somebody that doesn't want to admit that they have a problem?” (Counselling Services, p. 65)

There needs to be a different focus for gambling management, he said. Perhaps it is a matter of giving up on the current generation of problem gamblers, and focussing on equipping young people with the skills to be able to deal with a gambling related problem in later life. The interviewee said:

“... what I've been trying to do is target ... an awareness prevention program in schools ... I don't know if you could do new things with the generation that we are dealing with now. But we can develop different ways of coping with situations for the next generation – it's a generational change ... if we could develop a support service for families of the problem gamblers so that we could equip them – or even children, so they grow up and in their families, in 20 years' time, they handle those situations differently. Those sorts of strategies might require a different focus ... divorced from the gaming venue ... it becomes probably the whole community's responsibility”. (Counselling Services, p. 66)

This identification of a community responsibility requires a collaborative approach, he said:

“... we [need to] join together as a consultative group of community people and say, 'We need to do something about our long-term future as Australians' ... we need to sort of look at the issue of a gambling summit [where] we are going to [be able to] do something about this as a whole community”. (Counselling Services, p. 67)

He suggested that a gambling summit underscores a collaborative approach to managing problem gambling.

According to the manager of Counselling Service 2, a question that should be addressed is whether problem gambling should be transferred to the health portfolio in government.

This is likely to impact “issues of public acceptance of problem gambling” (Counselling Services, p. 67). He said:

“What happened in New Zealand is that problem gambling has become part of the health portfolio, and so it seems that things have changed in perception to it – and the public are more ready to accept it’s a health issue”. (Counselling Services, p. 67)

Also, he said, future developments in the gambling industries need to include changes to the “management structure and the style of management” in gambling venues, and “limits on how much people can gamble” (Counselling Services, p. 71).

As a somewhat similar management strategy for dealing with gambling, the manager of Counselling Service 1 drew on his work in drug and alcohol counselling, when proposing a management approach that featured “supply reduction” coupled with “demand reduction” (Counselling Services, p. 44). He said supply reduction effectively referred to a reduction in the “opportunities for gambling in the community”. Presumably, this would involve a reduction in gambling services and venues throughout the State. However, as for:

“... the demand reduction, I think it would be difficult for the government to do that because it’s such a huge stream of state revenue”. (Counselling Services, p. 44)

Demand reduction is taken to involve a program to divert gamblers’ interests away from gambling, in order to effect the reduction.

### ***5.7.3 Government and gambling counselling and treatments***

According to the counselling service providers, the State government did not view problem gambling as a health issue (Counselling Services, p. 36): the government department “doesn’t have health models as part of its language” (Counselling Services, p. 40). One interviewee said:

“It’s only been in the last few years that [the government] looked at a framework for funding the gambling counselling service – you know, trying to kind of work out where

it fits. What's [that department] doing funding treatment services? ... Shouldn't [treatment services] come out of [the] Health [department]? ... it just seems to me that people who don't have a history in terms of providing treatment services shouldn't be providing treatment services ... I just think it's fairly arbitrary"  
(Counselling Services, p. 36 & 37)

He also said that while the department does not see problem gambling as a health issue:

"... structurally that might be so, but the [departmental] project officers I deal with are very clearly across the [health-related] issues. I mean they're project officers, they are not the people who sit in on policy or the top levels of bureaucracy ... to me, it makes more sense if [gambling counselling] rolls over into [the Department of] Health and becomes part of the population health programs ... you got your [section on] population health in NSW [Department of] Health, which looks after mental health issues, and drug and alcohol issues. Why aren't they looking after gambling issues?"  
(Counselling Services, p. 36)

These comments are taken to be a pointed criticism of the government's failure not only to adequately address problem gambling, but also to perhaps even understand the health-related complexity of the issue. The interviewee's comments about understandings of the department's project officers draw attention to the ability of government policy makers to appreciate the wider dimensions of problem gambling, if not to formulate adequate policy responses to the issue.

An indication of government's failure to appreciate the health-related issues of problem gambling can be found in the other interviewee's explanation of why the self-exclusion program did not have its intended outcomes (discussed at Section 5.7.2). He alleged that some policy developments were "knee jerk reactions and caused more problems"  
(Counselling Services, p. 61).

The interviewee from Counselling Service 1 suggested that there was need for a "collective" of counselling providers to liaise with government on funding and other related issues:

"...there is a whole raft of organisations out there that are kind of doing their bit to help problem gamblers... If they could come together as a collective, just in the way the alcohol and drug sector has some together [with the Network of Alcohol and Drug



Agencies] ... and kind of share and pool their information ...” (Counselling Services, p. 32)

This type of development would “probably” need to be driven by the NGO sector, he said (Counselling Services, p. 32).

#### ***5.7.4 Counselling and problem gambling***

According to the manager of Counselling Service 2, gambling is entrenched in Australian society, and the counselling service providers recognise that they must work with that:

“... we'll always have gambling. It seems to be part of our whole fabric; our whole culture, and it's even part of the government's [fabric or culture]”. (Counselling Services, p. 56)

Gambling counselling “really hasn't had such a high profile as drug and alcohol problems”, he said (Counselling Services, p. 31). There has been a government-sponsored drug summit and an alcohol summit in the past, and there is need for a gambling summit, according to both interviewees (Counselling Services, p. 31 & 67).

The manager of Counselling Service 2 insisted that treatments should be administered under a broad public health model. He said:

“... at the end of the day, if we take that population health model approach to gambling, then we might ... have a broader base on which people can access treatment – and better outcomes as well”. (Counselling Services, p. 37)

Currently, he stated, counselling treatments for problem gambling are available at the extreme end on the gambling continuum (discussed at Section 2.7), when the gambling has developed to the crisis point of being a “problem”:

“... that's your full-blown compulsive gambler. Let's say it's a continuum: when is it enough of a problem [for treatment to be available]? Do we wait until everyone gets there [at the extreme 'problem gambling' point of the gambling continuum] and then do something about it – or do we kind of start to strike in the earlier stages?” (Counselling Services, p. 39)

This view appears to underscore the crux of the difficulty of managing problem gambling. It seems freely acknowledged that “your full-blown compulsive gambler” should rightly have access to counselling and other treatments. The sticking point, however, is whether appropriate “interventions” should be delivered to those “social gamblers” who are some way along the problem gambling continuum, but still not yet at the crisis point. Those stakeholders with commercial interests in gambling would not be expected to agree with intervention or prevention strategies that are engaged too “early” along the gambling continuum. This is because such strategies would have the effect of reducing gambling business, and the earlier the intervention, the larger the loss of gambling business.

#### ***5.7.5 Funding for problem gambling services***

According to the manager of Counselling Service 1, the providers of gambling counselling rely heavily on government funding, notably through the Responsible Gambling Fund (now the Casino Liquor and Gaming Control Authority, CLGCA) and the Community Development Support Expenditure (CDSE) Scheme (which are explained at Section 2.8). He said:

“...there is a limited pool there, and I guess the NGOs are competing for that pool... What we need to do is ... buy into ... performance-based ... recurrent funding. Same as we do in the drug and alcohol sector.” (Counselling Services, p. 33)

Funding for problem gambling services has a short-term focus, the interviewee said, and it is inadequately administered through the state government department responsible for gambling regulation and administration. He said the short-term focus makes the provision of on-going services precarious, because the counselling service providers are unable to plan beyond the short-term duration of the funding grants (Counselling Services, p. 33). This is in marked contrast to the provision of funding, from the state government Treasury, for drug and alcohol treatments:

“[The gambling funding model] is just not sophisticated yet... [Also, the funding pool made up of the CLGCA and CDSE] is not a consistent funding course. It's not

Treasury money: [it] doesn't come out of the NSW State budget ... It depends upon the [gambling] turnover". (Counselling Services, p. 34)

In the case of management programs for illicit drug use, the interviewee said, funds are available under the "population health model" for "reduction" and "awareness" campaigns to target prospective or low-level users, and to promote "a better life style" (Counselling Services, p. 40). But funding for reduction or awareness is not available in the case of gambling. He went on:

"...if you want your [gambling] service funded you've got to gear your submission where you think the money is going to go. When [the funding guidelines] say 'treatment services for problem gamblers', then if you tailor an early intervention [funding application]... we are going to fall outside the guidelines of the funding, and we are not going to get it". (Counselling Services, p. 41)

This apparent double standard in the management of gambling and alcohol imposts adds further weight to the suggestion that the government has failed to appreciate the health-related complexity of problem gambling.

### ***5.7.6 Relations with government***

The interviewees expressed marked differences about their relations with government. The interviewee from Counselling Service 1 claimed strong networking arrangements with the State and Federal Health Departments, and with the State's principal welfare instrumentality, the Department of Community Services. But that interviewee had weaker connections with the state government department responsible for the regulation and administration of gambling and, even in that case, the connections were mostly with project officers (Counselling Services, p. 31 & 36). Similarly, this interviewee had strong links with the Office of the Minister for Health, but no networking connections with the Minister responsible for gambling (Counselling Services, p. 43).

According to the manager of Counselling Service 2, that organisation has:

“...a good working relationship with the government [department responsible for gambling regulation and administration] ... I feel I have credibility with them as well ... [and] I feel I would like [a stronger relationship] ... I would still like to be part of any consultative group of the government and the other stakeholders” (Counselling Services, p. 60)

This quote highlights a confirmed willingness on the part of the counselling service providers to engage in collaborative relationships with other stakeholders, but some weight appears to have been given to the need for government involvement in such relationships.

The other interviewee expressed some scepticism about the willingness of government to purposefully address social issues. This view suggested that there was a tendency for bureaucratic arms of government to prefer the party-political perspective of the government of the day (Counselling Services, p. 46).

### ***5.7.7 Club sector***

Both counselling service providers claimed strong relationships with the club sector. One of the interviewees focussed more on its working relationship at the level of individual clubs (Counselling Services, p. 27 & 28), while the other spoke mostly about its relationship with a club sector peak body (Counselling Services, p. 50).

Both interviewees thought that there had been marked improvements in the social responsibility of clubs, and one of the interviewees attributed the change to “the new breed of club manager” (Counselling Services, p. 54) and to the change in the business culture in Australia (Counselling Services, p. 55). It was considered more “palatable” for clubs to provide poker machines, as opposed to pubs (Counselling Services, p. 45), because clubs are already socially responsible to some extent, and certainly more socially responsible than pubs (Counselling Services, p. 69).

Even so, there is still scope for clubs to improve their business practices, said one interviewee. They need to be more responsible for problems resulting from gambling

(Counselling Services, p. 46); they need to build relations with the community and dismantle their boards of directors (Counselling Services, p. 57). He said clubs can play a part in “destigmatising” counselling so that club members are more apt to take up opportunities for counselling.

### ***5.7.8 Social responsibility***

According to the manager of Counselling Service 2, responsibility for the impacts of gambling rests with government:

“The government probably is a big player in [‘who takes responsibility for problem gambling’], through taxation – and that will never change. They make quite a lot of money out of gambling, so that’s why, really, when you look at gambling and the social responsibility for it, it comes back down to the government, who usually has the right of way to say what goes and what doesn’t”. (Counselling Services, p.69)

This view appeared to be confirmed by the interviewee for Counselling Service 1:

“On a government level [social responsibility] just isn’t there ... my view is that [government has] to ... put the brakes on ... the number of machines – and that’s been linked [to the level of problem gambling]”. (Counselling Services, p. 45)

The clear impression of both interviewees is that social responsibility for gambling primarily rests with government, although there may well be scope, also, for clubs to take an individual approach to social responsibility (Counselling Services, p. 71). This draws attention to a State-based welfare agenda, which would appear to be consistent with the philosophical orientation of these organisations. The comments also draw attention to the extent to which government policy can be understood to influence individual corporate responsibility, which is discussed at Section 3.5.

## **5.8 Perspectives of local government**

In view of the mechanism for local councils to participate in the management of club contributions to the Community Development Support Expenditure (CDSE) Scheme,

(discussed at Section 2.6.1), two regional local government councils from Sydney's western suburbs were invited to participate in the research. Both accepted the invitation.

Two representatives of City Council 1 participated in the interview. Interviewee 1 was a Senior Project Officer with the Council's department which was responsible for policy development and setting priorities for community projects. Interviewee 2 was the Executive Manager of the department responsible for the Council's CDSE activities. Although the interviewees worked in different roles with the Council, and in separate departments, there was a high level of agreement between them about the issues discussed during the interview.

The interviewee representing City Council 2 was a senior community development officer, with a background as a social planner. At the time of the interview, he was acting manager of the community development department, which was responsible for the Council's CDSE activities.

The following text outlines the data obtained from these interviews.

### ***5.8.1 Characteristics of the participating local government city councils***

- ***City Council 1***

With a population of 180,000 residents, City Council 1 is claimed to be one of the largest cities, by population, in the Sydney metropolitan area. Some 52 percent of residents were born overseas and, of those, 95 percent were born in non-English speaking countries (Local Govt, p. 7). The average income was among the lowest in Sydney, and the impact of problem gambling was estimated by Interviewee 1 to be higher than in any other local council in Sydney (Local Govt, p. 7)

- City Council 2

While parts of City Council 2 were rural areas, 90 percent of the population of 170,000 resided in urban areas. According to the interviewee, the vast majority of residents were born in Australia, and those born overseas originated mainly from the United Kingdom and New Zealand (Local Govt, p. 21). The City Council had a low proportion of low income families and a high rate of population growth, compared with other councils in the Sydney area (Local Govt, p. 21).

Before the introduction of the CDSE Scheme in 2001, City Council 2 had been invited to partner with a large club in its local government region, to “pilot” a forerunner of the CDSE Scheme. The club had been concerned that its community support contributions were often made on a “first-come, first-served” basis, and this may not have reflected the range of needs within the community. The club therefore sought the Council’s assistance in order to bring a more “structured” and “planned” focus to its community support contributions (Local Govt, p. 22 and 23).

“... it would have been hard for [the club] to administer to the local community – perhaps a little bit even beyond its capabilities. So it [drew] on the Council for assistance because the Council has connections ... a community services infrastructure across the city”. (Local Govt, p. 39)

### ***5.8.2 Council’s role in CDSE***

Community groups can apply for funding from the CDSE pool made up of contributions from qualifying clubs situated in the local government area (as discussed in Section 2.6.1). One interviewee pointed out that the role of Council was to initially manage the application process:

“... the applications come in to us ... there’s a committee ... that reviews them against the [Council’s] social plan priorities, and feeds those comments back to the clubs, and the decisions are made by the clubs”. (Local Govt, p. 11).

As for the resource implications and responsibilities this places on Councils, another interviewee stated:

“[Initially] there was a lot of scepticism about councils having to take on a responsibility for that ... [There were] resource implications for Council running this process. But I think in the end we knew there were benefits for the broader community”. (Local Govt, p. 32 & 34)

### ***5.8.3 City councils and gambling***

City Council 1 does not consider itself a “major stakeholder” in relation to the regulation and administration of gambling. According to one interviewee:

“[Council is not] a decision maker ... that’s been moved to the State level, and [Council’s] role is simply to comment on a range of processes, rather than make decisions”. (Local Govt, p. 6)

The City Councils did not have specific policies on problem gambling (Local Govt, p. 4 & 44), according to one interviewee. Under their development control activities, however, the Councils are required to make social impact assessments on any proposed increases in poker machines in their local government areas. In this context, the general policy of City Council 1 is to oppose additional gambling activities. This feedback is provided to the relevant government department responsible for administration of gambling (discussed at Section 5.5) and, because the government does not make the feedback public, the clubs which apply for an increase in poker machines at their venues would be not be aware of the Council’s opposition to it (Local Govt, p. 5).

The real issue for Councils is problem gambling “as opposed to gambling [per se]”, so according to an interviewee from City Council 1 the concern is about “the level of service delivery” for problem gambling (Local Govt, p. 6). In that capacity, the stakeholders who Council works with most closely include the local area health service and the problem gambling service providers (Local Govt, p. 7).



During the interview with City Council 1, Interviewee 1 spoke about the Council's "charter" for "health promotion":

"... health promotion, which actually talks in terms of changing things like smoking, or [gambling] addictions or whatever". (Local Govt, p. 18)

This quote is taken to indicate that the Council favours a public health model approach to its work on the management of problem gambling.

#### ***5.8.4 Social responsibility of clubs and CDSE***

The interviewees from both City Councils acknowledged the socially responsible activities of the club sector. One interviewee pointed out that clubs sometimes contribute more than they are required to under CDSE:

"... clubs are major community hubs ... I think there's a genuineness from the clubs to be part of the community ... whether that's from a marketing perspective or philosophically driven ..." (Local Govt, p. 10)

While some clubs are understood to assume a high degree of social responsibility, others do not. According to City Council 1, the different levels of social responsibility among different clubs "is about the resources they have" that enable them to be socially responsible (Local Govt, p. 13). Another trigger for social responsibility, he said, is whether the club has a social responsibility "champion". The interviewee said:

"And often it's about having someone with a personal interest or personal history within that organisation that makes the difference. And that's what [Club 2] is about: it's actually having someone who's actually been associated with a whole range of issues and then championing that within the organisation". (Local Govt, p. 15)

On further discussion of such "champions", Interviewee 1 suggested "passion" for community interests, "personal history" and "morality" as likely attributes of these champions (Local Govt, p. 15 & 16).

There was initial resistance to the CDSE Scheme from some clubs, according to City Council 2, possibly because of a reluctance to give up “control” over their contributions (Local Govt, p. 29 & 31). Now, however, clubs generally do not complain about the need to contribute under the CDSE Scheme: their concerns are now about “the process” (Local Govt, p. 10). The interviewees of both City Councils mentioned a sense of partnership between the Councils and the club sector (Local Govt, p. 37 & 38).

One of the interviewees mentioned that the future direction of socially responsible activities in the club sector is likely to be influenced by the Commonwealth Government’s “policy agenda on corporate social responsibility” (Local Govt, p. 46).

### **5.9 Chapter conclusion**

This chapter has laid out the study’s six stakeholder perspectives in relation to problem gambling and social responsibility, in the registered club sector. The perspectives covered include these:

- Registered clubs
- Club sector peak bodies
- State government
- Community services peak body
- Problem gambling counselling services
- Local government

The research data in this chapter draws on my interviews with the co-researchers to record each stakeholder perspective. In broad terms, the interviews addressed the social responsibility of clubs for problem gambling. In this chapter, each stakeholder perspective has been discussed separately and, where appropriate, analytical comments throughout the chapter make connections between the interviewees’ comments and the literature in Chapters 2 and 3.

In relation to the co-researchers' views on problem gambling, the data reveals some sensitivity and even disquiet, among the co-researchers, about gambling regulation and the management of problem gambling. In particular, the interviews have exposed a preference for a public health approach to problem gambling, from the majority of co-researchers. Many co-researchers also drew attention to governance issues in the sector, and the nature of the existing relationships among stakeholders. The interviews identified instances of multi-stakeholder engagements and collaboration among some co-researchers, although there were also indications of tensions among stakeholder groups.

The following chapter, Chapter 6, now focuses on the interactions and engagement among the co-researchers, in the course of this study. The findings from both this chapter and Chapter 6 are then analysed in Chapter 7.

## CHAPTER 6

### **ENGAGEMENT AND INTERACTIONS AMONG THE CO-RESEARCHERS**

	<i>Page</i>
6.1 Chapter introduction .....	205
6.2 Presenting the co-researchers' interactions and engagement .....	206
6.3 Initial interactions with the co-researchers .....	207
6.4 Participation and discussion at <i>The Problem Gambling Network Forum</i> .....	208
6.4.1 Attendees' motivations for attendance .....	210
6.4.2 Forum agenda .....	211
6.4.3 Discussion of social responsibility .....	213
6.4.4 Discussion of multi-stakeholder networks .....	217
6.4.5 Discussion of attendees' future activities .....	220
6.5 Outcomes of <i>The Problem Gambling Forum</i> .....	221
6.5.1 Evaluation of the <i>Forum</i> .....	222
6.6 Chapter conclusion .....	223

#### **6.1 Chapter introduction**

This chapter is the second of two that document the research data. The previous chapter draws on my interviews with the participant co-researchers to record their perspectives on the social responsibility of clubs for problem gambling. This chapter now focuses on the interactions and engagement among the co-researchers, which took place in the course of the study.

These interactions and discussions centred on a multi-stakeholder interactive session which was titled “the co-researchers’ forum” in my outline of the study’s methodological framework in Chapter 4. As a focus for discussion at the forum, I distributed to the co-researchers a Discussion Document, based on my interviews with them. During my interview with the Chief Executive Officer of Club 2, he referred to the forthcoming forum as *The Problem Gambling Network Forum*. In keeping with my intention to encourage the co-researchers’ participation to the extent of inviting them to take an active

role in determining and implementing the research activities (discussed in Section 4.4), I adopted the title of the forum as coined by the co-researcher. The term was thereafter taken up in the research to refer to the co-researchers' forum. The Forum was held on 22 June 2005.

To follow this chapter, Chapter 7 analyses and interprets the data from the research by synthesising the disparate stakeholder perspectives (which are recorded in the previous chapter), in the context of the interactions and discussions (documented in this chapter). Chapter 8 contains my reflections and conclusions of the research.

## **6.2 Presenting the co-researchers' interactions and engagement**

My Research Journal constitutes the primary record of research data about the co-researchers' interactions and discussions with each other, and with me, in relation to the research. In this way, the Research Journal includes notes of my discussions with and observations of the co-researchers: I made the notes in the course of the following stages of the study:

- Recruiting the participants and interviewing the co-researchers;
- Convening *The Problem Gambling Network Forum*;
- Participation and discussion among co-researchers at the Forum; and
- Discussions with the co-researchers following the Forum.

The Research Journal includes my descriptions and analysis of research-related activities and events involving the co-researchers during these periods. The Journal also contains the text of my communications with the co-researchers, and a discussion of the contents of and my methods of keeping and constructing the Research Journal is at Section 4.5.5.)

In drawing on the Journal to record my descriptions, observations, analysis and reflections of the co-researchers' interactions and discussions, this chapter adopts a system of citation that refers to the relevant component part and page of my Research

Journal at which these are documented. So for example, “Research Journal III, p. 14” is a reference to page 14 of the third volume of the Journal. When it is pertinent to the discussion, the chapter incorporates quotes taken from the Journal, and the same system of citation is used for the quotes.

### **6.3 Initial interactions with the co-researchers**

In addition to the 13 co-researchers who agreed to participate in the research, another 11 prospective participants were invited to take part, but these had either declined or had failed to respond to my invitation.

A majority of those who were invited to participate showed strong interest in the research and some enthusiasm for participating, though there were variations in their levels of enthusiasm. For example, I understood the demeanour of the co-researchers from Clubs Peak Body 1, during the interview, to indicate an inclination for active participation in the research and an eagerness to make a contribution to the outcomes of the study. These interviewees often made spontaneous explanatory comments and provided illustrative vignettes which drew on their knowledge and experiences of gambling and clubs. By contrast, I noticed a marked difference in the demeanour of the co-researcher from Clubs Peak Body 2. That interviewee was perceptibly more reserved; he was not spontaneous in the discussion and, in simply responding to my questions and comments, he appeared unmotivated to elaborate on or to amplify his austere responses. Such differences between these interviewees may well be ascribed to the individual attributes and communication skills of the various interviewees. However, I noticed some similarities between the somewhat closed communicative style of the interviewee from Clubs Peak Body 2 and that organisation’s guarded and secretive attitude to engaging with other stakeholders (discussed at Section 5.4.1).

Two co-researchers, the CEO from Club 2 and Interviewee 2 from the State government, both sent me materials relating to gambling in clubs, following my interviews with them. I interpreted these unprompted approaches to suggest a genuine desire to contribute to my

thorough understanding of the matters I had discussed with them during the interviews. I took their actions to show a forthright interest in the outcome of the research.

All of the interviews were conducted at the co-researchers' workplaces, either at the co-researchers' work desk or in a meeting room. Generally, the co-researchers seemed to stage my discussions with them as straightforward professional business meetings: I was often greeted in a reception area and escorted back there after the interview.

The CEOs from both clubs appeared to elaborate on this sober formula, though. In each case, after the interview, the CEO guided me on a tour of the club's premises. With what might have been taken for a degree of obvious pride in their venues, the CEO of Club 1 explained the characteristics of that club's planned refurbishment and the CEO of Club 2 pointed out the features of its redecorated gaming floor. I noticed that both CEOs greeted staff members, in passing, with a degree of intimacy; and I understood this to be intended to show a relaxed and informal style of management in those clubs. I took this effusive approach towards engaging with staff to be consistent with the substance of these co-researchers' comments during the interviews. In my discussions with them, both CEOs were frank in their criticism of a body of "old-guard" managers and directors in the club sector. However, these co-researchers seemed to flaunt a relaxed and informal attitude with staff, thereby perhaps distancing themselves from that flawed archaic style of club management. I understood their engagement with staff to be intended to indicate an enlightened and contemporary approach to management that was perhaps consistent with those clubs' perception of their progressive attitude to gambling and social responsibility. On the other hand, I reflected that if this demonstrated humanitarian attitude to staff was not an affectation to influence the views of visiting researchers such as myself, then it may well have been a genuine indication of the organisational culture of the club.

#### **6.4 Participation and discussion at *The Problem Gambling Network Forum***

The *Problem Gambling Network Forum* took place on its rescheduled date, 22 June 2005, with eight attendees including co-researchers and their representatives from Club 2, State

Government and City Council 1. This represented three of the six stakeholder perspectives included in the study.

Two of the co-researchers did not respond to my invitations to attend, and the reasons for non-attendance given by other co-researchers included the following:

- Prior commitment (one co-researcher was overseas and two were interstate on the day of the Forum);
- Illness; and
- Too busy, with the pressures of other work.

I attended the Forum, as facilitator co-researcher, with a tentative program of activities. In view of the participative transparent nature of the study, I had proposed that the tentative program would be reviewed and, if necessary, collectively altered by agreement among the attendees as part of the Forum process. The tentative program (reproduced as Appendix 9) included the following four broadly defined activities:

1. Welcome and discussion of the tentative program
2. Introductions and “checking in”
3. Discussion according to the agenda
4. Conclusion and “where to from here?”

As part of my welcome to attendees, I invited comments on the tentative program of activities for the session. As all attendees agreed to the program, the Forum proceeded to the second stage: Introductions and “checking in”.

I had intended that the “checking in” activity would adopt an action learning process which is designed as an orientation ritual to assist attendees to articulate their individual contexts for attending. Also, I expected that “checking in” could assist attendees to move away from their individual professional roles, in the course of the discussion. I anticipated that the process had the potential to develop empathy among those attending



(Hughes & Bourner, 2005). This appeared to be particularly appropriate for the multi-stakeholder structure of the session because, after my interviews with them, I knew that most of the attendees had somewhat different perspectives on a number of matters to be discussed.

Drawing on attendees' comments during the "checking in" process, the following text summarises their stated motivations for attending the Forum. The text then outlines the agenda, and explains how it was developed. The subsequent paragraphs go on to review and analyse the discussion among attendees at the Forum.

#### ***6.4.1 Attendees' motivations for attendance***

I was aware that the manner of my invitation to attendees, at the start of the Forum, to introduce themselves and to "check in" was likely to influence their responses. The spirit and attitude of the invitation I made to attendees can be taken from my planning notes for the Forum. My notes read:

**"Introductions:** Who are you – Where you're from – What's been happening in your area of work recently – What expectations (if any) do you have for the session – Ideas for likely outcomes?" (Research Journal IV, p. 1)

After introducing themselves, representatives of the three stakeholder perspectives in attendance all "checked in" by stating their reasons for taking part in terms of the benefits to be derived by their organisations. The State government co-researcher said that the department was concerned to develop its Responsible Gambling Policy: it was "looking at accreditation/minimum qualifications, vocational education and monitoring of services" (Research Journal IV, p. 3). City Council 1 was "due to update its strategy on problem gambling in the community" and the CEO from Club 2 was "committed to making a change to the club's contribution to problem gambling" (Research Journal IV, p. 3). These co-researchers therefore appeared interested to use the Forum discussion in order to become aware of any developments or insights that could impact either their work, or the activities of the organisations with which they were affiliated.

The attendees' stated reasons for attending did not seem to include a sense of their having an opportunity to either contribute their views to a group discussion, or to understand the differing perspectives of the others present. Instead, the attendees' articulated their reasons for their attendance in somewhat self-interested, functional terms.

However, while the attendees' motivations were expressed in such pragmatic terms, I later speculated whether these might truly have been the full extent of their motivations. On reflection, it seemed to me that, without stating it, at least some of the attendees could well have been interested to participate so as to contribute to the on-going debates and sector-wide discussions about problem gambling and social responsibility in clubs. I reflected that the manner in which I invited attendees to introduce themselves and "check in" could have enabled any of them to mask or disguise any of these less pragmatic reasons, if indeed any had them.

#### ***6.4.2 Forum agenda***

After the round of attendees' introductions, I invited those present to collectively set the agenda for discussion at the Forum. Also, I expressed my point of view that the meeting might consider the following items:

- The applicability of multi-stakeholder networks around problem gambling in the club sector;
- Any issues arising from the Discussion Document; and
- The applicability of a multi-stakeholder common code of practice for those concerned about problem gambling in the club sector.

The issue of multi-stakeholder networks was central to the research question of this study, and this therefore represented an important and obvious agenda topic for discussion.

I proposed to include the Discussion Document as an agenda item because I had thought that its text could incite discussion around any contentious points of view. The attendees, however, did not apparently feel that the Document warranted such close attention. I speculated that there could have been several possible explanations for this disinterest. First, being already exhausted by and perhaps cynical of the volume of literature about problem gambling in clubs, the attendees might not have read the Document or, if they did, the reading could have been cursory. In those circumstances, it was likely that the attendees might have been too embarrassed to admit that they were not familiar with the contents, and they may therefore have been reluctant to engage in a discussion. Second, if they had in fact read the Document, they might have found in it nothing to stimulate their interest or to prompt debate. In fact, it might not have been sufficiently contentious as to warrant discussion. Thirdly, it was possible that the attendees were cautious about discussing the issues raised by the Document because that type of discussion could have developed into heavy debate or even conflict, possibly in ways that had been mentioned by several co-researchers during the interviews. This rejection by the attendees of my suggestion to consider the Discussion Document as an agenda item for discussion is taken to represent a significant finding on the research methodology. Given the attendees' attitude to the Discussion Document, I took it that the thrust and tone of this type of document should perhaps have more faithfully reflected the true nature of the existing relationships among the co-researchers: thus including any topics that might have been considered "undiscussable". On reflection, while excluding particularly contentious or inflammatory comments would have been less likely to incite impassioned responses, the more risky or uncertain approach – that was nonetheless forthright in putting each co-researcher's true perspectives – may have produced some learning; even if that was in the course of difficult or perhaps antagonistic discussion.

My suggestion for the Forum to consider the applicability of a multi-stakeholder common code of practice was intended to propose a thus-far unexplored topic, with a multi-stakeholder theme. I considered that this topic could have had the capacity to move those present into considering this, and possibly other matters, which were apparently not previously contemplated. While the club sector had a code of conduct for clubs

(explained at Section 2.7), the suggestion of a multi-stakeholder common code of practice was influenced by research into industry-wide programs for corporate social responsibility (Kolk, 2005). In response to the suggestion of including this topic, one attendee expressed the view that the industry's understanding about social responsibility in clubs did not appear to have progressed to a stage where a multi-stakeholder common code was a realistic option for the sector. All attendees agreed with this point of view and, because there was no support for considering a multi-stakeholder common code, it was therefore decided that the item would not be discussed. I took this decision to indicate a common understanding among attendees that at least some of the stakeholders, and particularly some who were not in attendance, would clearly not be inclined to engage in a multi-stakeholder enterprise.

After consideration by the attendees, it was agreed that the agenda for the Forum discussion would be these topics:

1. What is “social responsibility”? As a starting point, are we talking about the same thing?
2. Is there a place for multi-stakeholder networking around problem gambling?
3. Where to from here? What are the future activities for the attendees?

The discussion among attendees on these topics is reviewed and analysed in the following paragraphs.

#### ***6.4.3 Discussion of social responsibility***

According to one attendee from City Council 1, social responsibility implies an overarching culture. This type of culture has elements of “give and take” that is evident at many different levels in the community, including the individual level. I noted him saying:

“In the case of clubs, [social responsibility] means that clubs are there for their members – but the introduction of poker machines made them more profit-driven.” (Research Journal IV, p. 4)

This focus on clubs being “there for their members” appears to indicate a notion of social responsibility that is restricted to its members. This notion would apparently not incorporate considerations of those stakeholders who are in the wider community, outside the sphere of a club’s membership.

By contrast, the CEO from Club 2 proposed a perspective on social responsibility that had a broader scope. According to my notes of the Forum discussion, he said:

“Social responsibility means maintaining a balance of the [club’s] activities – and operating not to the detriment of the community ... Clubs are not-for-profit organisations – they are not charities.” (Research Journal IV, p. 4)

This view of social responsibility appeared to encompass payment of club contributions to community groups who might not necessarily be members of the club. This view seemed to be broader than the one offered by City Council 1.

I took these different views to represent the most dissimilar of those expressed during the discussion. Despite the dissimilarities, though, there seemed to be a telling similarity in these otherwise disparate views. In both cases, it appeared that “social responsibility” could be operationalised as “contributions” in terms that suggested a strong monetary focus on socially responsible behaviour. Accordingly, in this way, any obligation to be socially responsible could be met by a monetary payment.

As a summary of the views of all attendees, my field notes of the Forum discussion read:

“[On the meaning of ‘social responsibility’] there is some agreement among co-researchers that:

- Social responsibility refers to a type of culture in a Club. This culture enables the Club, in its decision-making, to include the perspectives of members (and the wider community), while at the same time operate with enough of a profit motive to enable it to serve its members with the facilities and services they require.

- This type of social responsibility is unlikely to be something that Clubs can be regulated to do, although guidelines (or best practices) could be part of a range of initiatives that could be used to implement social responsibility. Currently, this type of social responsibility is thought to be rarely practised.
- This broader understanding of social responsibility – where Clubs are expected to go beyond regulations – would be difficult to evaluate, because a club’s activities and social contributions are susceptible to misrepresentation and overstatement.” (Research Journal, IV, p. 10)

This consideration of the difficulties associated with monitoring regulated levels of socially responsible activities seemed to imply that those difficulties may well obviate the need to introduce regulations in the first place. In effect, if it is going to be too difficult to effectively monitor any club’s socially responsible activities, perhaps attempts at such regulation ought not be made.

One of the views expressed at the Forum proposed the need for a multi-stakeholder approach to social responsibility for problem gambling. My notes of the discussion read:

“Nonetheless, in the case of ‘Responsible Gambling’, there may be roles and responsibilities for a multitude of stakeholders, so that they all have a common focus on the ‘big picture’. Some type of regulatory framework would appear necessary for this.” (Research Journal IV, p. 10)

The Forum discussion indicated that there are extreme views among some stakeholders about social responsibility for problem gambling. These extreme views are apparent in my notes:

“Some stakeholders see all poker machine gambling as a ‘social issue’. These stakeholders would seem to be concerned to eliminate machine gambling altogether. At the opposite extreme, other stakeholders see no (or few) social issues inherent in poker machines. These stakeholders would be concerned to resist moves to limit machine gambling operations.” (Research Journal IV, p. 10)

Articulation of these views has relevance for multi-stakeholder engagement. Either view would appear to require the logical exclusion of the other, so that any stakeholder who holds either of these views would implicitly disagree with stakeholders taking the other

extreme view. Thus, so long as any stakeholders take either of these extreme views, collaborations among such stakeholders towards the development of a joint notion of social responsibility would seem unlikely, assuming any stakeholder is not prepared to relent from its extreme positions. The alliance between Counselling Service 1 and Club 2 is an example of a stakeholder collaboration forged when at least one stakeholder was prepared to stir from its extreme position. In that collaboration, gambling is “completely contrary” to the philosophies of Counselling Service 1, but that organisation was nonetheless prominently involved in the collaboration with Club 2. (This collaboration is discussed at Section 5.7.1.)

The Forum discussion indicated that while some stakeholders seem overt in their extreme views – whether that view is “completely contrary” to all forms of gambling or, alternatively, proposes few (if any) restrictions – this appears not to be the case for all of the stakeholders. There was evidence to suggest that some stakeholders may hold extreme views, but these may not be openly stated. My Journal notes read:

“In a post-forum conversation, [one attendee] mentioned that he thought he had made a number of gaffs in the discussion, by referring to ‘gambling’ as a social issue, when the club sector sees *‘problem gambling’* as the social issue, and gambling itself simply as a leisure activity. My impression was that [this attendee] understands ‘gambling’ as the social issue, but he sees the need to temper his language for his audience – he seemed to think that the clubs would not be capable of engaging in a debate about ‘gambling’ (as opposed to ‘problem gambling’) as the social issue.”  
(Research Journal IV, p. 5)

This identifies the practice of, and the rationale behind, at least one co-researcher disguising his true perspectives on disputed issues. Such concealments would appear to have the potential to make communication among stakeholders at least complicated, but more likely confusing. On reflection, I can see that, as the researchers, I may have also engaged in this type of concealment by excluding particularly contentious or inflammatory comments from the Discussion Document.

#### ***6.4.4 Discussion of multi-stakeholder networks***

There was strong consensus among attendees that multi-stakeholder networking may be useful, at least on a project basis or in the provision of treatments. According to my notes, one attendee put his view like this:

“[Multi-stakeholder networks] are a must. At this stage in the understanding and development of problem gambling, there is more scope for project-based networks among the ‘true believers’. More difficult networks would be needed to raise real awareness of problem gambling in the community; to truly, genuinely do ‘social responsibility’ on a larger scale”. (Research Journal IV, p. 6)

The attendee from the State government proposed a number of different types of project-based networks among stakeholders. These included collaborations among counselling treatment service providers, to consider various treatment models; and peer-level networking among clubs, although this attendee could not contemplate how that might operate.

A number of attendees pointed out that in view of the sensitivities of some stakeholders, those thinking of collaborating should take a strategic approach in the development of networks. They will need to choose their partners carefully, it was said, in order to form “the right networks with the right stakeholders”.

This was highlighted in an exchange involving representatives from all three stakeholder perspectives present at the Forum. My field notes read:

**“State government:** One agenda for social responsibility is to get out there and to discuss problem gambling and the issues, in the community.

**Club 2:** We were prepared to go out into schools and talk to kids about problem gambling, and we approached a number of local schools – but there really wasn’t any interest from the schools to involve the Club.

**State government:** During my time in [another government department], I was involved in an initiative to develop awareness and education programs to take into schools. But the initiatives were very difficult to get off the ground, because the schools were so strapped to get through their curricula, they really couldn’t



accommodate anything further. And also the schools were really only interested in programs developed by professional educators. So maybe it's a matter of talking to the right people to know what problem gambling initiatives are going to work, and which are going to be impossible.

**City Council 1:** So, key relationships are going to be important. To get it right, it might mean looking for project champions – and I've noticed in relation to activities of the Councillors that there's a political perspective to being 'seen' with the right group." (Research Journal IV, p. 6)

This exchange points to an important finding from the Forum discussion. This apparently off-the-cuff example from the club about a difficulty it experienced in getting "out there" in the community led to a significant – but simple – understanding about why its "take-it-to-the-schools" initiative did not work. This understanding seemed to come about serendipitously, because of another attendee's previous employment activities. The City Council's contribution to the club's learning here was to suggest a summary of the interaction: and a notion that "we're judged by the company we keep". For the club, therefore, giving effect to its proposal may well have required more than the appropriate strategy, initiative or activity. It would also have required taking a calculated and tactical approach to its networking and its prospective partners. In the case of the club's schools initiative, it was said during the discussion that a more satisfying outcome could perhaps have been achieved if the club had approached the State Government Education Department, rather than the individual schools in its community.

This suggestion of the importance of being "seen" in the right company of stakeholders would seem to imply the counter proposition of not being seen with the "wrong" company. It also raises the possibility of covert networking: collaborating with another stakeholder, but not wishing to be seen to be doing that. According to my notes, one of the attendees expressed this view:

"Some stakeholders are entrenched in their positions, so it might be useful to sometimes communicate using networks – to couch the communication with a political awareness, so the message can be heard." (Research Journal IV, p. 7)

Also, another attendee said that networks could be used to assist a stakeholder to communicate its message, by using network members as something of intermediaries.

This approach implied the possibility of functional networking arrangements based on a shared objective for a specific project outcome. Such networks could apparently exist despite fundamental philosophical differences between the network members.

Networking in the provision of treatment services appeared to be an example of this.

The discussion identified the difficulties in establishing networks due to strong political perspectives and positions of the stakeholders. At the same time, networks have the potential to be useful for stakeholders in achieving their objectives, it was said. This drew attention to a possibility that networks can, to the contrary, operate negatively in ways that exclude any stakeholders who take an opposing view from those who are in a collaborative network. An example of this would seem to be the establishment of the *Club Industry Working Group* in 2006. The Group consisting of representatives of government and the clubs peak bodies, as well as club CEOs, has apparently been hailed by the New South Wales Department of Arts, Sport and Recreation (2007) as “enhanced consultation”. However, the stakeholder perspective included in this Group seems to be limited, not least because of the absence of the non-club stakeholders.

It is reasonable to expect that, in addition to this negative view of networking, some stakeholders can be anticipated to have already begun to take these types of strategic approaches in forming and using networks. Coupled with the attendees’ views expressed above, that tactical networks also have the capacity to operate covertly, it can be expected that existing network arrangements among stakeholders may be more complex and sophisticated that might first appear.

According to one attendee, the Federal Government should be considered a relatively recent stakeholder in poker machine gambling in New South Wales, although the true nature of its position is not yet clearly known.

#### *6.4.5 Discussion of attendees' future activities*

While I observed a mutually respectful, even warm, attitude among attendees toward each other, there appeared to be marked uncertainty about how the attendees might continue to engage with each other. According to my notes, the attendee from the State government expressed this view:

“The first step [towards continuing interaction among stakeholders] would be to raise awareness about problem gambling, and there would then be networking opportunities coming out of that ... There is need to ‘sell the product’ first though, to raise awareness of problem gambling in the community – otherwise everyone is off doing their own thing”. (Research Journal IV, p. 9)

According to my notes of another attendee's views, “a lot of partnering will be opportunistic”. As an example of this, an attendee from City Council 1 declared that he was a member of the Local Government Community Services Association. He offered to make contact with the Association to order to arrange for a representative of the club to address an Association meeting. I noted him saying:

“This could be useful, because most [local government authorities] will be updating their social plans within the next two years, and the Association seminar would highlight problem gambling in the community.” (Research Journal IV, p. 8)

While there was consensus among the attendees that the Forum had been useful “in providing a communication mechanism”, there was no support for my suggestion that the attendees might consider meeting at another subsequent Forum session. I took this approach to be consistent with their earlier comments about the difficulties of multi-stakeholder networking around problem gambling in the club sector. The views expressed by attendees' seemed to indicate that such networks would be premature. There seemed to be two key reasons for this. First, some stakeholders were understood by attendees to have shown a firm disinclination for networking or for collaborating across a broad range of stakeholder groups. Secondly, the relations and interactions among some stakeholders were not sufficiently advanced to enable those stakeholders to productively engage with others.

### **6.5 Outcomes of *The Problem Gambling Network Forum***

After the Forum in June 2005, I emailed and telephoned each of the co-researchers. For those who did not attend the Forum, my communications were intended to alert them to what was discussed at the Forum, and to the further interactions that were proposed among those who attended. On the other hand, for those co-researchers who did attend the Forum, I aimed to seek their reflections about the Forum process and understand whether there had been any subsequent collaboration among them. In both cases, the response from co-researchers was weak. Almost all of the co-researchers were not available to take my calls at the times I telephoned and, in response to my emails, I took what replies I received to be polite but showing strong disinterest in engaging further in a collaborative process.

Given the number of co-researchers who were unable (or disinclined) to attend the Forum, and in view of the lack of interest in further collaboration from those who attended, this weak response from co-researchers was not unexpected.

There seemed to be a stronger follow-up response from Club 2, however. A departmental manager at the club who had attended the Forum later described to me the extent of the club's post-Forum collaborations. He explained that, since the discussion with City Council 1 at the Forum, the club was proposing to conduct its problem gambling awareness seminars for other local authorities. My notes of that discussion read:

“[The club's] objective would be to help raise awareness, among these Councils, of problem gambling as a social issue, so these Councils could in turn apply this enhanced awareness in their work with the clubs in their respective jurisdictions (through the Community Development Support Expenditure program). The Councils may even be inclined to take a more insightful approach to accommodating problem gambling in their Community Development Policies.” (Research Journal IV, p. 13)

Club 2 was also involved in “peer” networking activities with another club in the same region. My notes of my discussion with the club's departmental manager read:

“Also, the [club] is responding to interest from other clubs in [another region in New South Wales]. These are more provincial clubs – and there is the suggestion that such clubs have a different type of relationship with their communities. So, it’s likely that these provincial clubs might have a more genuine interest in dealing with problem gambling as a social issue in their communities. In fact, at the Forum, [one of the attendees from the club] talked of their vision to ‘franchise’ the [alliance the club has with Counselling Service 1]. In the post-Forum conversation, [the club representative] clarified this to mean that the ... club would not take any role in the establishment of other regional problem gambling ‘Centres’ – [it] would simply work with other clubs who might want to copy their approach (ie, partnering with a counselling service provider ...).” (Research Journal IV, P. 13)

This level of engaged response from the club, after the Forum, appeared consistent with the collaborative attitudes shown by the club in its alliance with Counselling Service 1 and its support of this research.

### **6.5.1 Evaluation of the Forum**

The low level of attendance by co-researchers at the Forum, coupled with the Forum attendees’ decision not to engage further in a follow-up session, indicates that the co-researchers’ engagement and interactions, as proposed by the research question, were not sustainable beyond the initial Forum. This can therefore be taken to suggest that the inter-organisational *learning history* process outlined in Chapter 4 was incomplete, in terms of the research question, “to lead to a socially responsible approach to the management of poker machine gambling in clubs”. However, analysis of the engagement and interactions among co-researchers does offer insights into the configuration and nature of the stakeholder network around problem gambling in clubs, and this analysis forms the thrust of Chapter 7. In addition to this, the study does provide evidence for a type of “*stakeholder learning project*” that would appear to be a useful adaptation of the *learning history* process, for the purpose of inter-organisational learning about social responsibility. This type of “*stakeholder learning project*” is explained and discussed at Section 8.2.3.

## **6.6 Chapter conclusion**

This chapter has described and analysed the interactions and discussions among the co-researchers, which took place in the course of this study. Those interactions and discussions have focussed on the discussions at *The Problem Gambling Network Forum* held in June 2005. A Discussion Document, compiled from my interviews with the co-researchers, was intended to offer an impetus for the discussion among attendees at the Forum. (Chapter 4 explained how the Discussion Document was constructed, and also summarises its contents).

There were eight attendees at the Forum, including co-researchers and their representatives from three of the six stakeholder perspectives included in this study. The attendees expressed their reasons for attending the Forum in functional terms: they understood the Forum to have the capacity to provide them with information about problem gambling in the club sector that these attendees might be able to apply in their work, and in their organisations. The attendees collectively set the agenda for the discussion, to include these topics:

- Social responsibility;
- Multi-stakeholder networking; and
- Future collaborative activities of the attendees.

The findings from the Forum suggest that some stakeholders (including those not present at the Forum) were considered by attendees to hold extreme views of clubs' social responsibility for problem gambling. One of these views holds that all poker machine gambling is a "social issue", so that elimination of the gambling activity could be expected to eliminate the problem. An opposite view from other stakeholders was understood by attendees to see no (or few) social issues inherent in machine gambling. Such logically conflicting perspectives are taken to make multi-stakeholder collaborations unlikely, so long as any such stakeholders persist in their extreme positions.

The Forum discussions also identified other apparent impediments to multi-stakeholder collaborations. For example, there was found to be a possibility that some stakeholders may disguise their true perspective on disputed issues. Also, the attendees thought it important, in some cases, for stakeholders to be “seen in the right company” of stakeholders, and this led to the counter proposition that stakeholders may not wish to be “seen” in the wrong company. Covert networking was therefore found to be within the range of possible collaborative arrangements of stakeholders.

At the conclusion of the Forum there was no support for the suggestion that the attendees might convene at a further subsequent Forum. The views expressed by attendees seemed to indicate that it would be premature, at this stage, to contemplate wide-ranging multi-stakeholder networks around problem gambling in the club sector. Two reasons were proposed for this view. First, some stakeholders had shown an unwillingness to collaborate across the full range of stakeholder groups. Also, attendees thought that relations and interactions among some stakeholders were not sufficiently advanced to provide a climate for collaborative engagements.

This chapter has built upon Chapter 5. That chapter laid out the study’s six stakeholder perspectives in relation to the social responsibility of clubs for problem gambling. To add to that, this chapter has concentrated on the interactions and discussions among the stakeholders, in the course of the research. Chapter 7 will now synthesise those disparate stakeholder perspectives in the context of the stakeholder interactions and discussions explained in this chapter.

## CHAPTER 7

### **ANALYSIS AND INTERPRETATIONS OF THE CO-RESEARCHERS’ PERSPECTIVES, ENGAGEMENT AND INTERACTIONS**

	<i>Page</i>
7.1 Chapter introduction .....	226
7.2 Framing the analysis and discussion .....	226
7.3 Understanding the co-researchers’ perspectives on problem gambling .....	227
7.3.1 Assumptions and expectations about perspectives .....	228
7.3.2 Uncovering the co-researchers’ perspectives .....	230
7.3.3 Public health as a multi-frame paradigmatic approach .....	234
7.3.4 Strategies to implement the public health approach .....	237
7.3.5 Accommodating the public health paradigm in NSW .....	238
7.4 Understanding the co-researchers’ engagement and interactions with others .....	246
7.4.1 Assumptions and expectations about engagements and interactions .....	246
7.4.2 Overview of co-researchers’ engagements and interactions .....	248
7.4.3 Covert collaborations .....	250
7.4.4 Political influences among co-researchers .....	253
7.4.5 Declared but dubious engagement .....	254
7.4.6 Confounding stakeholder arrangements .....	254
7.4.7 Implications for the club sector .....	255
7.5 Analysis of co-researcher’s stakeholder networks .....	255
7.5.1 Non-participating “stakeholders” .....	262
7.5.2 Network influence of the club sector peak bodies .....	265
7.5.3 Network influence of government .....	267
7.5.4 Trends in co-researchers’ engagements and interactions .....	268
7.5.5 Capacity for change in stakeholder networks .....	271
7.6 Understanding social responsibility in registered clubs .....	276
7.6.1 Assumptions and expectations about social responsibility .....	277
7.6.2 Overview of co-researchers’ attitudes to social responsibility .....	278
7.6.3 Analysis of social responsibility in the club sector .....	281
7.6.4 A transitory perspective of social responsibility and problem gambling...	283
7.6.5 Capacity for change in the practice of social responsibility .....	285
7.7 Chapter conclusion .....	288



## **7.1 Chapter introduction**

This chapter analyses the research data that was documented in the two previous chapters. Drawing on data from the 13 co-researchers, Chapter 5 laid out the study's six stakeholder perspectives in relation to the social responsibility of clubs for problem gambling. Chapter 6 then focussed on the engagement and interactions among the co-researchers, in the course of the study.

In this chapter, the data themes and findings as presented in Chapters 5 and 6 are analysed in the overarching contextual frame of the research question. This was introduced in Section 1.3:

In what circumstances can structured stakeholder interaction around the various perspectives on the issue of problem gambling in NSW registered clubs offer an environment in which clubs (or any of the other stakeholders) might act or engage differently, so as to lead to a socially responsible approach to the management of poker machine gambling in clubs?

To follow this chapter, Chapter 8 contains my reflections and conclusions of the research.

## **7.2 Framing the analysis and discussion**

With the context for this analysis drawn from the research question, the following are taken to be its constituent elements:

- The co-researchers' perspectives on problem gambling
- The co-researchers' engagement and interactions with others
- Social responsibility in registered clubs

These elements suggest the broad structural framework for this chapter, in addition to providing the focus for the analysis of the data themes and findings. This analysis takes a critical orientation in probing for, examining and evaluating the similarities and dissimilarities in the co-researchers' various perspectives on problem gambling, as well

as their interaction and engagement with each other. These various perspectives and interactions were assembled and recorded with the use of an analytical matrix, and a separate matrix was prepared for each of the three constituent elements of the research question. With the aid of these, the analysis draws attention to the connections and associations between the data in Chapters 5 and 6 and the literature and discussion in Chapters 2, 3 and 4.

After interrogating the data, I came to the realisation that the research question itself harbours a number of assumptions and expectations about the study that had not been evident at the commencement of the research. Accordingly, not only does this chapter forthrightly draw attention to these previously unstated assumptions and expectations, but the analysis also in fact engages the research data as a foil to expose and critique those assumptions. With critical theory already established (in Section 1.5) as a unifying philosophical thread throughout this study, the adoption of the criticalist approach in the analytical phase of the research is taken to be honest to the study's broad critical project. Also, the force and weight that is the data's due is claimed to be more pronounced with this critical attention to those assumptions. This approach is argued to contribute to the study's rigour by grounding this analysis and discussion more solidly in the data and in the themes and findings that emanate from it.

Against this backdrop, the following sections are structured around the development of understandings about the three constituent elements of the research question. The first of these is the co-researchers' perspectives on problem gambling and, following analysis of the co-researchers' engagements and interactions with others, the chapter specifically analyses the co-researchers' stakeholder networks. The chapter concludes with an analysis of social responsibility in clubs.

### **7.3 Understanding the co-researchers' perspectives on problem gambling**

This part of this chapter commences by referring back to the research question, in order to lay out the study's previously unstated assumptions and expectations about stakeholder

perspectives on problem gambling. This is followed by a discussion of the co-researchers' actual perspectives, as evidenced in the research data. Their perspectives were discovered to be somewhat mixed and not entirely what had been expected: the co-researchers had declared their perspectives in ways that suggested them to be complex, messy and even confounding. I resorted to the data again, in order to discover a more constructive explanation for these seemingly complex perspectives. This exercise drew attention to the co-researchers' references to a public health model as a preferred approach, or in some cases a *possible* approach, for managing problem gambling. That model had also been alluded to in Chapter 2, for a somewhat different reason. There, the public health approach had been raised as a likely vehicle for possible Federal government intervention, at the State level, in the highly politicised milieu of the gambling industries.

Now in this chapter, with further recourse to literature on the implementation of the public health paradigm, the following sections show that the paradigmatic standpoint of the public health approach enables a more coherent explanation for the co-researchers' apparently confounding perspectives. This study is therefore found to offer some support for the adoption of a public health approach to problem gambling in New South Wales. Subsequent sections of this chapter then speculate on the implications of that approach for the relevant stakeholders.

### ***7.3.1 Assumptions and expectations about perspectives***

The study's previously unacknowledged inherent assumptions about disparate stakeholder perspectives on problem gambling have their origins in the notion of "the dilemma of management", suggested by Hosmer (2006). Already mentioned in Section 3.3.1 to introduce the notion of CSR, the dilemma was said to be represented by:

... a conflict between an organization's financial performance (measured by revenues, costs and profits) and its social performance (stated in terms of obligations to persons both within and without the organization) (2006, p 2).

This dilemma would suppose that, in the case of problem gambling in clubs, there could be expected to be two competing perspectives. One of these could be assumed to focus on profits, thereby favouring a club's *financial* performance. This perspective could be presumed to support a pro-gambling stance in clubs, perhaps involving claims about the relative insignificance of problem gambling, or perhaps drawing attention to the positive impacts of gambling in clubs.

The opposing perspective would be expected to concentrate on a club's *social* performance, thereby preferencing the interests of stakeholders who could be "both within and without the organization" (Hosmer, 2006, p. 2), but not the club itself. With focus on the negative individual and community impacts of problem gambling, this perspective could be assumed to take a more anti-gambling stance, perhaps involving claims about the insignificance of, or even denying, any inherent social or other benefit of gambling.

On this understanding of financially and socially focused perspectives, therefore, the reference in the research question to "the various perspectives on the issue of problem gambling in NSW registered clubs" could be understood to impute the following underlying assumptions about the study:

- Each co-researchers' perspective would predominantly favour either the financial or the social performance of clubs
- The club sector would favour the financial perspective; community-based stakeholders would prefer the social perspective
- The perspectives represent opposing and competing viewpoints, which make their reconciliation problematic

### *7.3.2 Uncovering the co-researchers' perspectives*

In order to appreciate the nature of the co-researchers' perspectives on problem gambling, this section draws on the research data to elucidate and critique the study's underlying assumptions about those perspectives.

- *Assumptions about the financial perspective*

On the basis of the assumptions outlined in the previous section, the co-researchers from the clubs and the club sector peak bodies would be expected to prefer the financial perspective. This would be supposed to recognise some inherent value of gambling in clubs, and perhaps even to argue for its expansion. This perspective could also be expected to attempt to diminish or deny the significance of problem gambling in the community.

The data does not equivocally support this, however. The co-researchers from the clubs were perhaps the study's most vocal proponents for change in the club industry. They acknowledged that the right of clubs to provide gambling services brought with it a responsibility towards those who experienced "harm" as a result. Nonetheless, one club co-researcher said that clubs were not charitable institutions: they clearly had their own economic imperatives. In any case, it was pointed out that poker machines provide a leisure activity for club members. What's more, instead of attempting to deny the significance of problem gambling, Club 2 had even formed an alliance with a counselling service to provide assistance for those negatively affected by problem gambling.

The perspectives of the club sector peak bodies predominantly acknowledged gambling for its economic contributions to the community. According to these co-researchers, clubs were therefore entitled to derive significant levels of income from gambling. Also, even though they thought clubs were over-taxed, the distribution of gaming taxes and imposts did represent important contributions for public and community purposes. For these co-researchers, problem gambling was closely aligned with individual gamblers'

“medical problem”, with notable mention of “the gene that causes addiction”.

Accordingly, while these co-researchers acknowledged the financial perspective, there were other issues that held significance for them. These other issues focused on aspects other than those of a financial nature.

- *Assumptions about the social perspective*

Conversely, the opposing social perspective would be expected to devalue gambling in clubs, and perhaps even to argue for its reduction or abolition. By focussing on the negative impacts of gambling, this perspective could be expected to be taken by the community-based co-researchers from the community welfare peak body, the counselling service providers and local government.

Again, the data appeared to offer mixed support for these assumptions. All of these co-researchers appeared concerned about the management of gambling in the community, being especially focussed on strategies for alleviating the incidence of problem gambling. At the same time, one of these co-researchers acknowledged the positive contributions that clubs are able to make to the community as a result of their gambling business activities. Also, the perspectives of the counselling service providers offered a curious conundrum. While these organisations were “completely opposed” to gambling, they were nonetheless prominent in providing counselling for problem gambling, and both of them had formed notable alliances with the club sector as part of their counselling activities.

- *State government perspectives*

The State government could have been expected to show an allegiance to both perspectives. This is because, as mentioned by a majority of co-researchers, the government has conflicting interests around problem gambling. On the one hand, government is the recipient of gambling taxes and, with that, its interests are obviously better served by promulgating gambling. On the other hand, though, the government has

a public service responsibility to regulate gambling, as well as a community service remit to develop and implement policy to manage problem gambling. It is not surprising, then, that the data evidences aspects of both the financial and the social perspectives in the government's stance.

In view of the assumption that any co-researcher's perspective would predominantly favour either the financial or the social performance of clubs, it could be expected that one of these perspectives might have been dominant in the government's attitude. However, not only did the government co-researchers' stance suggest some tension between the two perspectives, but there also appeared to be an element of befuddlement within the relevant government department, about its attitude to problem gambling. This was evident in the views expressed by the co-researchers from government about the gambling-related functions of government (discussed at Section 5.5.1) and the government strategies for dealing with problem gambling (discussed at Section 5.5.3). Thus the data was unable to provide a clear indication of any dominant perspective on the government's part.

However, a perception of the government's perspective can be taken from the views of the other co-researchers. The government came in for criticism from all co-researchers, except one. There was the strong view that the government was "weak" in its regulation of gambling, and co-researchers from the club sector understood the government to favour the interests of the other gambling organisations, namely the casino and pubs. While community-based co-researchers also saw the government's stance to be one that supported gambling, they did not so obviously understand the government to distinguish between the various types of venues. Accordingly, while there was no clear consensus from the club sector and the other non-government co-researchers about the precise nature of the government's stance on problem gambling, the theme of their comments suggested that the government is understood to favour a more dominant financial perspective.

- Identifying the co-researchers' perspectives

This analysis indicates that the co-researchers' actual perspectives on problem gambling, as evidenced by the data, are somewhat different in nature from what might have been supposed from the study's underlying assumptions and expectations. Noticeably, the co-researchers' views do not fall neatly into either predominantly financial or social perspectives, even though the data can be understood to hold some semblance of those broad categorisations. Instead, the co-researchers' perspectives are found to be more complex than the expected dichotomy could accommodate. Their perspectives were sometimes expressed without patent references to financial or social dimensions, and the perspectives were frequently found to be mixed and therefore different from what might have been expected. On their face, there are no patterns or associations in the data to explain why the co-researchers' perspectives could be understood to fall the way they do. Accordingly, their perspectives, as they appear in the data, are taken to be complex, messy and sometimes even confounding.

Some explanation for this could have been found in a degree of social responsibility being exercised by the clubs. With elements of both the financial and social perspectives in their views, it could be said that the clubs had perhaps engaged in the process of attempting a balance between their financial imperatives and their social responsibilities. This would therefore account for the complex nature of the clubs' mixed perspectives. In the case of most of the other co-researchers, however, because they could have been assumed to be unhindered by Hosmer's (2006) "dilemma of management" as were the clubs, their perspectives on problem gambling would have been expected to favour social imperatives. This was not the case: their perspectives were also mixed, and the data presented no immediate explanation for this.

Nonetheless, there was found to be a common thread through the data that could be understood to offer an insight into the perspectives of all the co-researchers. Of the six different perspectives represented in the study, comments and opinions from all co-researchers can be understood to have supported, although some more passionately than



other, a public health approach to managing problem gambling. This points to a conclusion that all stakeholder groups represented in the research took a positive view, at various levels, of a public health approach to managing problem gambling; although only co-researchers from government and the counselling services specially drew attention to public health (or population health) as an overarching problem gambling management strategy. The following section outlines the features and characteristics of the public health stance, and explores how the co-researchers' perspectives on problem gambling can be understood in the context of the public health paradigm.

### ***7.3.3 Public health as a multi-frame paradigmatic approach***

In their discussion of a public health approach to gambling, Korn and Shaffer (1999, pp. 306-308) are understood to have identified four characteristics:

A public health perspective

- [1] addresses all levels of prevention as well as treatment and rehabilitation issues ...
- [2] offers an integrated dynamic approach that emphasises a “systems” view rather than a primary focus solely on individuals or isolated events ...
- [3] allows for a comprehensive analysis of the biological, behavioral, social and economic determinants of health and illness ...
- [4] encourages consideration of gambling activities as a continuous variable

Further, the public health paradigm gives access to several different “frames” through which stakeholders may be inclined to view the debate about gambling in the community (Korn, Gibbins & Azmier, 2003). These frames are not mutually exclusive, so any stakeholder may have recourse to a number of them. Therefore, with this flexibility of engaging with any of a number of different frames, the public health approach is understood to offer the potential for a coherent meta-level construction of the co-researchers' perspectives on problem gambling. This section therefore explores the application of the public health approach to the co-researchers' established perspectives, as indicated by the research data.

Korn, Gibbins and Azmier (2003, p 237) identified eight different frames that they found were attached to gambling in Canada by individuals. These frames are listed in Table 7.1. While the public health approach has been contemplated in Australia (McMillen, 1997; Hing & McMillen, 2002; Marshall 2004), such a broad consideration of the frames attaching to gambling does not appear to have been outlined in the Australian literature. The following discussion therefore reviews the Canadian frames in the context of this study. Drawing on the data themes and findings in Chapter 5, Table 7.1 identifies the co-researchers whose perspectives on problem gambling can be understood to evidence an attitude to each of the gambling frames described by Korn, Gibbins and Azmier (2003).

<b>Gambling Frames</b>	<b>Co-researchers whose perspectives evidence these gambling frames</b>
1. Gambling as an individual freedom	Club Sector Peak Body 2
2. Gambling as a recreational activity	Club 1
	Club Sector Peak Body 1
3. Gambling as a source of public revenue	Club 1
	Club Sector Peak Body 1 and 2
	Government
	City Council 1
4. Gambling as a tool for economic development	Club Sector Peak Body 1
	Government
	Community Welfare Peak Body
5. Gambling addiction as an individual pathology	Clubs 1 and 2
	Club Sector Peak Body 1 and 2
	Government
6. Gambling as a cultural artefact	Club 2
	Counselling Service 2
7. Gambling as a means of escaping class constraints	(There is no data to support this frame)
8. Gambling in the context of public accountability, public responsibility and public health	Clubs 1 and 2
	Club Sector Peak Body 2
	Government
	Community Welfare Peak Body
	Counselling Service 1 and 2
	City Council 2

**Table 7.1: Co-researchers' gambling frames**

This analysis indicates that, of the eight frames described in the literature from Canada, seven would appear to have relevance in the New South Wales context of this study. So, the data does not lend support for the existence of one frame in New South Wales. This is frame 7. *Gambling as a means of escaping class constraints*. While this result presents an interesting finding of the study, and while the characteristics of framing gambling in New South Wales might represent a compelling future research project, this study's lack of support for one of the Canadian frames is not considered germane to the current argument.

More pointedly, Table 7.1 also shows that the frame adopted by the majority of this study's co-researchers is the one which sees gambling in the context of public accountability, public responsibility and public health. Accordingly, this application of the multi-frame method suggests that the paradigmatic perspective of the public health approach provides a more coherent explanation for the apparent variations and divergences in the co-researchers' attitudes to problem gambling. Also, with the preferences shown by the co-researchers for the public health approach, this study is therefore taken to lend multiple stakeholder support for the adoption of this approach in New South Wales. This support can be found across all stakeholder groups studied.

In addition to this, with focus on the formulation of public policy, this application of the multi-frame method also draws attention to the government co-researchers' apparent adoption of several different frames in their attitudes to problem gambling. My interview with the co-researchers from the relevant government department suggested that the government, in some contexts, views gambling in the "source of public revenue" frame and in the "tool for economic development" frame, in addition to its public health stance. Because there can be understood to be some inherent contradiction in the adoption of these frames, perhaps consistent with the government's conflicting interests around problem gambling, this would seem to suggest that the formulation of public policy could be problematic as a result. This interpretation is claimed to be consistent with the apparent "befuddlement" of government in relation to its problem gambling management strategies (mentioned in Section 7.3.2).

### 7.3.4 Strategies to implement the public health approach

While the previous section explored how the co-researchers' perspectives on problem gambling could be understood in the context of the public health paradigm, this section now outlines the strategies and actions that would be required to implement the public health approach. According to Skinner (1999):

The enduring value of a public health perspective is that it applies different “lenses” for understanding gambling behaviour, analysing its benefits and costs, as well as identifying strategies for action (1999, p.286)

With this consideration of *action* to implement the public health approach, Skinner proposed that “a comprehensive agenda for public health action” (Skinner, 1999, p. 286) can be found in the monograph by Korn and Shaffer (1999) titled, *Gambling and the Health of the Public: Adopting a Public Health Perspective*. As a foundation for implementation, Korn and Shaffer (1999) focussed on five primary strategies for public health action. To correspond with each of these, and writing of the Canadian gambling environment, the authors suggested a list of “Key Actions” for each of the primary strategies. Table 7.2 lists the five primary strategies for public health action; and in relation to the corresponding key actions, because these actions are too numerous to list in the context of this argument, the table provides a selection of the key actions proposed by Korn and Shaffer for each of the five primary strategies. This selection of key actions is illustrative because none of them has been included as part of the gambling management strategies in New South Wales.

Primary strategies for public health action	Key actions
A. Build healthy public policy to ensure initiatives promote health	<ul style="list-style-type: none"> <li>• Fund development of a standard methodology to estimate health, social and economic costs and benefits of gambling</li> <li>• Link government gambling revenues to prevention, treatment and community capacity building</li> <li>• Position gambling as a public health matter</li> <li>• Ensure gambling operators display the odds of winning and losing</li> </ul>

B. Create supportive environments (physical, social, economic, cultural and spiritual)	<p>Key actions are included for the family, the socio-economic and cultural environment, the internet and the gambling environment. For the latter, specific actions include:</p> <ul style="list-style-type: none"> <li>• Advocate on-site program initiatives covering withdrawal limits on automatic banking machines, betting limits hours of operation</li> <li>• Permit gaming machines only in gaming specific venues, not in other commercial locations like bars and restaurants</li> </ul>
C. Strengthen community action so communities have the capacity to set priorities and make decisions	<ul style="list-style-type: none"> <li>• Develop a community impact model for analysing and predicting the costs and benefits of gambling</li> <li>• Identify a standard set of community indicators for gambling that could be used for community evaluation</li> </ul> <p>Key actions are included for vulnerable groups such as young people.</p>
D. Develop people's personal skills to enable them to contribute to society	<ul style="list-style-type: none"> <li>• Create a standard unit for gambling similar to the standard drink to improve research and communication</li> <li>• Produce a self-management guide for gamblers experiencing mild to moderate problems</li> <li>• Ensure gamblers have the skills to identify and manage their high-risk gambling situations</li> </ul>
E. Reorient health services to recognise needs of the whole person and to foster partnerships among providers	<p>Key actions include those relevant to both research and services partnerships. For the latter, actions include:</p> <ul style="list-style-type: none"> <li>• Organise health programs for gambling across the behaviour continuum to reflect the full range of behaviours</li> <li>• Ensure a comprehensive community service for gambling</li> <li>• Develop a comprehensive public awareness and education program</li> </ul>

**Table 7.2: Primary strategies for public health and selection of key actions**  
(From Korn & Shaffer, 1999, pp. 310 and 311; 331-351)

### *7.3.5 Accommodating the public health paradigm in NSW*

Following a call in the 1990s for the adoption of a public health perspective on gambling in Australia (McMillen, 1997), it had been claimed that, by the late 1990s, problem gambling had been redefined “as a public health issue” (Hing & McMillen, 2002, p. 480).

More recent literature suggests that:

Australian research now defines problem gambling as a broadly social and *public health* issue [emphasis in the original] (McMillen & Wenzel, 2006, p. 150)

As pointed out at Section 2.10.2, the Australian States have implemented separate gambling regulation and management strategies, with some State differences. In New South Wales, gambling research literature does not appear to recognise a public health approach, at least in the ways that that approach has been articulated by Korn and Shaffer (1999) and Korn, Gibbins and Azmier (2003). Even so, there might be understood to be some semblance of a public health perspective in the New South Wales policies on gambling. For example, the state's "responsible gaming" initiatives can be claimed to make connections with Korn and Shaffer's *Strategy D: Develop people's personal skills*. More specifically, a self-exclusion program has been implemented in New South Wales. However, two co-researchers expressed the view that, as implemented, the program was ineffective. In fact, one of these, the co-researcher from Counselling Service 2, felt that the initiative as implemented was counter-productive. This was because it provided gamblers with a mechanism to self-exclude from one venue where they experienced a negative gambling outcome; thus enabling them to project an impression of remorse and an attitude toward rehabilitation. However, without a "counselling framework" to support the program, such gamblers could nonetheless strategically and purposefully circumvent the impact of self-excluding by continuing to gamble in other venues. As reported at Section 5.7.2, this co-researcher implied that the introduction of the self-exclusion program might have been ill-conceived and not sufficiently thought through. He said:

...someone had [possibly] heard about self-exclusion in another context [and thinks], "Yeah, we'll have one of those" ...

On this basis, such New South Wales policies could be argued to make only weak connections with the public health approach. It can be claimed that such policies offer more a projected *perception* of a public health approach, rather than a real practical application of it; and this is reminiscent of greenwash-type rhetoric identified in the context of CSR (discussed at 3.3.2) and a similar attitude from the Federal Government (discussed at Section 3.5). Thus, this study does not support the literature's apparently

unqualified assertion about the adoption of a public health approach in New South Wales, as suggested by McMillen and Wenzel (2006).

Nonetheless, there is a “health” dimension to the management of problem gambling in the State. As pointed out by the co-researchers from the government department, the administration of “treatment” and welfare services for problem gambling is a responsibility of that department. But that responsibility does not carry any suggestion that the attitude of the department involves a broader *public health* perspective, as proposed by Korn and Shaffer (1999) and Korn et al (2003).

By contrast with the New South Wales experience, the New Zealand government has explicitly adopted a public health approach under the auspices of the New Zealand Gambling Commission. That country’s “integrated problem gambling strategy” (New Zealand Gambling Commission, 2006, p. 7) can be sourced to a public health action plan that is understood to find sympathy with the Korn and Shaffer (1999) strategies and key actions (Raeburn & Herd, 2003). Also in New Zealand, responsibility for problem gambling services has been transferred to that country’s health ministry (New Zealand Ministry of Health, 2005, p. 5). This is similar in the Australian States of Queensland, South Australia and Tasmania, where responsibility for problem gambling services resides in health and welfare-related departments, not in those departments which are also responsible for gambling policy and regulation.

This is not so in New South Wales, though. The co-researchers from the State government had drawn attention to the public health model of dealing with problem gambling (at Sections 5.5.1 and 5.5.2), and had even acknowledged (at Section 5.5.3) that problem gambling treatment programs could have been transferred to the State health portfolio. However, responsibility for problem gambling treatment programs continues to reside with the same State government department which is also responsible for gambling regulation and administration.

In summary, therefore, while aspects of the NSW gambling regulatory environment might allow some empathy with a public health perspective, by contrast with the explicit implementation of the approach in New Zealand and with the practices in some other Australian States, the New South Wales experience is taken to be disingenuous. In support of this contention, and by way of illustration of the New South Wales practice, it is claimed that none of the public health key actions, listed in Table 7.2, have been implemented in the State.

At the broader level of social responsibility, this disingenuous, projected *perception* of the public health approach in New South Wales can be understood to constitute a rhetorical attitude to social responsibility for problem gambling. In terms of the self-regulatory phase of social responsibility (discussed at Section 3.3.2), the New South Wales response to the call for a socially responsible approach to problem gambling can be taken to show some characteristics of a “greenwash” rhetoric. This attitude is able to claim overt allegiance to the political thrust of the socially responsible health approach, while nonetheless implementing policies that do not wholly, sincerely support that approach.

- *Implications of implementing a public health approach in NSW*

On the basis of the Korn and Shaffer (1999) public health implementation strategies and actions, a comprehensive State-wide public health approach to gambling in New South Wales could be expected to require addressing all forms of gambling in the State, not simply poker machines in clubs. The approach would be anticipated to lead to a reduction in the overall level of gambling in the State. Pointedly, as contemplated by *Strategy B* in the Korn and Shaffer (1999) formulation, poker machines would only be permitted in gambling-specific venues. Given the community-focussed orientation of registered clubs, the public health approach could necessitate poker machines being entirely phased out of clubs. Such an extreme move could be expected to be strenuously resisted by a majority of clubs (in view of their reliance on gambling revenue), as well as peak body lobby groups. However, community-based stakeholder groups could be



expected to support this type of move, and this would be notably so for the counselling service providers who (as reported at Section 5.7.1) are “completely opposed” to gambling.

With the wide range of gambling activities available in New South Wales, the adoption of a public health perspective could be expected to require somewhat separate approaches for the different forms of gambling. As pointed out in Section 2.2, more strident regulatory and policy frameworks could be anticipated for the more problematic forms of gambling (such as poker machines), with less stringent frameworks for gambling activities that result in relatively fewer social costs.

With the consequential loss of gambling taxes and imposts, the New South Wales government would be unlikely to support a highly developed application of the public health approach. Also, the formulation of a new policy and implementation framework that is markedly different from the current one could be expected to make increased demands on public funds. However, with an anticipated reduction in problem gambling in the community, there may well be claims of offsetting reductions in government funding for problem gambling administration and treatment programs.

The phasing out, or even the reduction, of poker machines in clubs could have two conceivable implications for gamblers. First, with a reduction in access to poker machine gambling, gamblers may be inclined to pursue other forms of gambling, whether or not legal. Alternatively, gamblers may be influenced to engage in less problematic forms of gambling, or may even pursue more sustaining uses of their resources and less risky leisure activities, by not gambling.

Another consequence of the public health approach would be the development of partnerships of research and services groups, under Korn and Shaffer’s *Strategy E*. This could allow for the staging of a gambling summit, as proposed by the co-researcher from counselling service 2 (reported at Section 5.7.2) or the organisation of a formal network of counselling service providers, as intimated by the co-researcher from counselling

service 1 (reported at Section 5.7.1). In fact, there would be scope to establish an independent gambling body, as in New Zealand for example, and as suggested by the co-researcher from the community welfare peak body (reported at Section 5.6.3).

- *Implications of the public health approach for clubs*

Reduction in the level of gambling activity in clubs could be expected to lead to a flow-on reduction in clubs' ability to make local community contributions, as suggested by the co-researchers from the clubs and the clubs peak bodies. Thus, the move would not only impact community groups, but it could also lead to a stronger need for clubs to seek alternative revenue sources, as foreshadowed in Section 5.4.2. Also, this could be expected to require higher levels of management skills from club managers and directors, which was already mentioned by all co-researchers (except those from local government). Moreover, the club sector's enthusiasm for supporting community activities could also be expected to reduce, because of the resulting turbulence in the economic environment of clubs; and this too had been alluded to by the co-researcher from Club 2 (reported at Section 5.3.8).

- *Implications of not adopting the public health approach*

There appear to be several conceivable implications of failing to implement the public health approach in New South Wales, as it was outlined by Korn and Shaffer (1999). These include the following.

1. Without adopting the public health approach, there is likely to be a continuation of the existing weakly regulated and commercially focussed gambling environment in New South Wales. The problematic relationships between stakeholder groups which surfaced in the research data, and in some of the co-researchers' relations with others prior to this study, could be expected to persist. The co-researchers' widespread dissatisfaction with the government's stance on problem gambling would also be anticipated to continue.

2. Without a policy framework that would be intended to restrict gambling in New South Wales, the level of gambling activity could be anticipated to undergo little change. However, any reduction in the incidence of problem gambling, if there is any, could be expected to be insubstantial. Also, if policy is not specifically directed at reducing problem gambling, other variables may need to be assessed, if there are any changes in the incidence of problem gambling.
3. Outside New South Wales, aspects of a broader attitude to contemporary gambling policy and administrative trends appear to acknowledge some sympathy for victims who may have suffered harm as a result of access to gambling. For example, the New Zealand Gambling Commission took action against a casino and suspended its operator's licence, when the casino was found to have failed to identify a patron as a problem gambler. According to a media release issued by the New Zealand Department of Internal Affairs (Henry, 2006):

Gambling operators are obliged to monitor patrons for potential gambling problems.

This is taken to suggest a climate in which gambling operators can be understood to hold some responsibility for the level of patrons' gambling activities. While the policy and law on such responsibilities may appear unsettled in ways that still seem to favour gambling operators, the suggestion that operators may be liable for gamblers who suffer harm can be understood to offer an insight into stronger societal calls for a more responsible approach to the management of gambling businesses.

At a governmental level, too, without an adequate regulatory regime, it could even be contemplated that the same climate may also accommodate imposing responsibility on government for its complicity in failing to ensure adequate monitoring of "patrons for potential gambling problems". In such cases, government's responsibility may be argued to rest on its failure to maintain a

structure of impartiality and objectivity in protecting the interests of those adversely affected by problem gambling. Support for this approach can be garnered from the government co-researcher's admission that the government's stance is something of "the gamekeeper and the poacher" (reported at Section 5.5.1).

4. Similarly, the State government's failure to adequately implement gambling management policy could lead to a stronger interest from the Federal government in taking over some, if not all, responsibility for gambling regulation and administration, including treatment programs for problem gambling. As outlined by Marshall (2004), the public health approach would give the Federal government some traction in that initiative. Also, the Australian political environment shows some comfort with Federal government moves into areas traditionally considered to be the states' purview. An example of this is the Australian government's establishment of the Murray-Darling Basin Initiative, which was a system for "integrated water resource management", involving Queensland, New South Wales, Victoria, South Australia and the Australian Capital Territory as well as the Australian Federal government (Department of the Environment, Water, Heritage and the Arts, 2007).

This analysis of the co-researchers' perspectives on problem gambling recognises their support, at various levels, for a public health approach to gambling policy and administration in New South Wales. The discussion has included consideration of the impacts of accommodating this approach as well as the implications of not adopting it.

To take up the second constituent element of the research question, the following sections analyse the co-researchers' engagements and interactions with each other, with specific attention to their stakeholder networks.

## **7.4 Understanding the co-researchers' engagement and interactions with others**

In analysing the co-researchers' engagements and interactions, the following sections lay out the study's unstated assumptions and expectations about stakeholder engagement, and these are reviewed in the context of the co-researchers' actual engagement and interaction with each other. The discussion includes an analysis of the co-researchers' stakeholder networks, with particular attention to the position that the government takes in these networks. The text also canvasses likely trends in the stakeholders' engagement and interactions around gambling, and consideration is given to the capacity for change in the stakeholder network.

### ***7.4.1 Assumptions and expectations about engagements and interactions***

The study's research question presumed that the clubs would be the focal point in the engagement and interaction among the co-researchers. This is because the research question contemplates how "stakeholder interaction" might "lead to a socially responsible approach to the management of poker machine gambling in clubs". In this way, the research question can be understood to assume that clubs would be at the centre of the co-researchers' stakeholder network, even though the discussion at Section 3.4.1 acknowledged that the "focal organization" need not take that centre position. However, because it was clubs which were expected to owe social responsibilities for problem gambling, they could be expected to be at the centre of the network arrangement. This thinking suggests that the study's other co-researchers would take up something of the conventional hub-and-spoke stakeholder formation around the clubs. Consequently, as a result of this expectation, it can be assumed that clubs would influence and perhaps even dominate the interactions among the co-researchers. Whatever influence clubs might have in their stakeholder networks, though, the other co-researchers would be expected to have clearly identifiable relationships with the clubs, and possibly also with some of the other co-researchers.

Furthermore, the research question can be seen to harbour an expectation that the co-researchers who predominantly take the same perspective on problem gambling would have a predisposition to network with each other, in addition to their individual hub-and-spoke networking arrangements with the clubs. This would assume that the various counselling services, for example, might have their own networking connections, as would the club sector peak bodies.

A significant underlying assumption inherent in the research question is the belief that, although the clubs and other co-researchers would be expected to take different perspectives on the issue of problem gambling, each would be prepared to express those perspectives to the others. Even so, it could be likely that some co-researchers may nonetheless self-censor the content and manner of their engagements with other co-researchers; and this self-censoring would be assumed to take account of previous interactions between them. It could be supposed that any self censorship would be intended to enable that co-researcher to maintain its connections with the other stakeholders. The degree of censorship and the level of attention given to such self censoring activities would be dependent upon the intentions and objectives that that co-researcher has for its relationship with those who it censored.

Also inherent in the research question is the expectation that a change in the social responsibility of clubs may occur as a result of the “stakeholder interaction” among the co-researchers. This impetus for the engagement and interaction puts the research in a somewhat different light from the type of engagement originally contemplated by Freeman’s (1984) stakeholder approach to strategic management (discussed at Section 3.4.1). In that contemplation, the engagement had a strategic purpose for the organisation; the engagement was intended to align with the organisation’s imperatives. In this study, however, the impetus for the engagement was more closely aligned to the interests of those stakeholders who could have been expected to take a social perspective on problem gambling. The impetus for the engagement was to provide those stakeholders with a vehicle for bringing their own imperatives to bear on the clubs’ poker machine business activities.

#### ***7.4.2 Overview of co-researchers' engagements and interactions***

Even though the study has concentrated on investigating engagement and interactions among the co-researchers, several themes emanating from the data suggest a clear absence of engagement. In this way, the data indicate several influential stakeholder attitudes that stifle engagement, as well as some apparently systemic impediments to engagement among the co-researchers. Any collaborations between the co-researchers are taken to be notable exceptions to what was found to be the more common arrangements between them: what was common was the absence of engagement and collaboration.

- *Co-researchers' attitudes to engagement*

My interviews with the co-researchers indicated that they each generally knew of the activities of the other co-researchers, and they were somewhat well-informed about the activities of the organisations to which the other co-researchers were affiliated. However, there does not appear to be a wide-spread approach towards working collaboratively in the sector, even among co-researchers from the same broadly similar stakeholder group. This even extended to the club sector peak bodies and their relationships with the co-researchers from the clubs. Specifically, there did not appear to be a discernible collaboration between the club peak bodies and, of all the co-researchers, the club CEOs were perhaps the more vehement critics of one of their peak body organisations.

There are two notable exceptions to this tendency towards avoiding engagement among the co-researchers. One of these exceptions was a remarkable collaboration between Club 2 and Counselling Service 1 (explained at Sections 5.3.1 and 5.7.1). The collaboration is noteworthy because these organisations had established the relationship of their own accord (on the initiative of the club), while maintaining vastly different philosophical approaches to gambling. Even though the club derived more than 90% of its net revenue from poker machines, and despite the fact that the counselling service did

not support gambling “in any form”, the organisations sustained a relationship that was said to be highly regarded by both of them. The activities of these organisations under their collaborative arrangement were additional to their other, more mainstream activities. In particular, the club appeared to have had little to gain from the collaboration: its focus appeared genuinely to stem from a concern for problem gamblers. Interestingly, it was a collaboration for which others in the club sector had criticised the club “for making us look bad” (Section 5.3.3).

The second exception to the tendency against engagement is represented by the arrangement between Clubs Peak Body 2 and Counselling Service 2 (explained at Section 5.7.2). Under this relationship, the counselling service provided a counselling referral function for individual clubs, in accordance with mandated harm minimisation strategies that clubs were required to implement. Viewed in this light, the relationship can be understood to be a functional one by which the counselling service involvement enabled clubs to comply with the statutory requirements. In this way, the collaboration allowed each of these organisations to better engage in their mainstream activities; and this sets this collaboration apart from the one mentioned above between Club 2 and Counselling Service 1.

The data indicate a level of antagonism among some co-researchers, with a suggestion of bullying-type behaviour when a co-researcher was “hailed down” at an industry forum (discussed at Section 5.6.3). Consistent with this, my interview with a co-researcher from a club peak body showed something of an aggressive approach in that organisation’s engagement with others (discussed at Section 5.4.1). While only one of the club sector peak bodies appeared to be involved in such antagonism and aggression, the club sector generally was the subject of some disparaging comments from some co-researchers. For example, there was mention of an inadequate “old guard” (at Sections 5.3.3 and 5.6.4) and a male-dominated “blokie” attitude of “boofy old men” among some club managers and directors (Sections 5.5.6 and 5.6.4).



On the other hand, while the attitude of other co-researchers appeared less adversarial, their engagement with others could be understood to be guarded. This difference was noticeably apparent in the case of the various co-researchers from the club sector peak bodies. Section 5.4 explains that the co-researcher from one organisation was more adversarial than those from the other organisation, whose engagement with others was taken to be more cautious. Noticeable, too, was the attitude of the co-researcher from one of the counselling service organisations. As explained at Section 5.7, this co-researcher did not express any critical comments about government or the club peak bodies, even though these stakeholders came in for criticism from all other co-researchers. While this counselling service may well not have had any critical opinions about the government or the peak bodies, in fact, that appears unlikely given the level of criticism expressed by the other co-researchers. Thus, the counselling service can perhaps be understood to have engaged in a degree of self-censorship; and this is taken to have been intended to protect any possible subsequent collaborative opportunities the counselling service might have had with government and the peak bodies.

### ***7.4.3 Covert collaborations***

These instances of antagonism, guarded interaction and self-censorship across such a broad range of co-researchers can be understood to have contributed to an environment that fostered covert relations among the co-researchers. There was open acknowledgement of the existence of covert arrangements, during the discussion among co-researchers at *The Problem Gambling Network Forum*. There, it was accepted that covert networking arrangements could be useful for communicating with “political awareness” (explained at Section 6.4.4). This discussion appeared to centre on functional network arrangements, which could even occur across philosophical differences, and often with a shared objective for a specific project purpose.

Other covert collaborations in the club sector appear to have an “official” imprimatur through the Club Industry Working Group, established by the Office of Liquor Gaming and Racing (OLGR). Consisting of club sector peak bodies, “highly experienced” club

CEOs and government ministerial advisers, the Group makes recommendations to the OLGR on matters of gambling policy and administration (NSW Department of Arts, Sports and Recreation, 2006). Membership of this informally constituted Group is apparently unspecified, and there seems to be no transparent account of the Group's activities. The arrangement has an attitude of selective stakeholder engagement. Although it was officially announced that "the government established" the Group (NSW DASR, 2006, p. 32), it is not clear whether its establishment was at the instigation of the OLGR or of any of the other members of the Group. This example of the OLGR's selective approach to stakeholder engagement is consistent with the government co-researchers' statements about the few stakeholder relationships maintained by the government (discussed at Section 5.5.7).

The apparently covert activities of the Club Industry Working Group can be distinguished from the other covert arrangements mentioned above, between collaborative co-researchers. In the case of the Working Group, the focus of at least some of the Group's discussions appears to be sector-wide policy and administration; while the focus of the collaborative co-researchers mentioned earlier is "a specific project outcome". While each instance of covert collaboration maintains a lack of transparency, each can be seen to call for different levels of accountability. Even though the Club Industry Working Group has a focus on sector-wide policy and administration, there appears to be no accountability for its deliberations and recommendations.

The Working Group can be understood to represent a short-hand, pragmatic technique for the OLGR to engage with the club industry. However, without a defined mechanism for oversight of such arrangements, the collaboration between OLGR and these selective elements of the club industry has the potential to privilege those elements in ways that may be counterproductive to the industry as a whole. Similarly, the collaboration could even operate to preference existing governmental perspectives. Without mechanisms for transparency and accountability, those who profess to "speak for" the industry can be put in a position where they can be accused of speaking for themselves, instead of the industry they represent. Whether or not such privileged industry elements do in fact

prefer their own individual perspectives when engaging with other members of the Working Group, they can be understood to have taken up a relatively more powerful position in the stakeholder dynamic.

Even though such skewed stakeholder relationships across the club sector may well have developed without any real intention to overlook or deny the perspectives of the club industry as a whole, that result can be understood to be a possible outcome. A complicating factor in the stakeholder dynamic around the club industry is the relationship between the club sector peak body organisations themselves. As explained at Section 5.4.1, with elements of a competitive relationship between these organisations, the tendency to focus on their own individual imperatives could develop. Indications of this can be seen in the opinions and attitudes of the club CEOs who participated in the study. The peak bodies “are not keeping up with the diversity of views” in the industry, and they do not represent the full range of their memberships, according to the CEOs (explained at Section 5.3.3).

The lack of transparency and accountability of the club peak bodies in their involvement with the Club Industry Working Party have similarities with Utting’s (2005a) discussion of “unaccountable agents” in the area of international social policy and development (Utting, 2005b, p. 23). According to Utting:

Business elites are not only responding defensively [to CSR issues]; they are proactively trying to influence, control and lead the agenda of institutional reform and social and economic change (Utting, 2005a, p. 380).

It can be suggested here that, without transparent procedures in the Club Industry Working Group and without accountability for the Group’s deliberations and recommendations, the “business elites” of the Working Group – including the peak bodies and the selectively commandeered club CEOs – have the real potential to “influence, control and lead” the industry’s agendas. As Utting (2005b) points out, without accountability, the position of the “business elites” has the potential to enable the introduction and acceptance of business arrangements which either generate or reinforce

exclusion and inequality. For the club sector, this could exclude the majority of clubs from contributing to the government's development of gambling policy in clubs. At the same time, the arrangement has the potential to prefer the perspectives of those who are privileged to be included in the Club Industry Working Group. In view of the covert, albeit pragmatic, mechanisms employed by the OLGR to establish the Working Group, the government department can be seen to be at least complicit in the potential subversion of a sector-wide understanding of the club industry's agendas. Moreover, by selectively inviting some to the Working Group, OLGR could be understood to be seeking to shore up its own preferred perspectives.

#### ***7.4.4 Political influences among co-researchers***

Independent of this, the data shows clear evidence of strong political influences among the stakeholders. Specifically, the co-researcher from one of the club sector peak bodies was "absolutely" convinced of the political dimension of gambling in clubs (discussed at Section 5.4.1). Such political influences were also confirmed by guarded comments to me during the interviews with several co-researchers: some either did not intend particular comments for publication to the other co-researchers, or they did not wish to be associated with certain provocative opinions.

Contributing to the political influences of the relationships between co-researchers, several of them drew attention to the government's reliance on the taxes from poker machines. This was suggested as a basis for the political nature of the relationships between the government and some of the stakeholders in the club industry (as discussed, for example, at Sections 5.6.1 and 5.7.6). Several co-researchers drew attention to the government's conflicting interests on the issue of gambling, and this is discussed more specifically, in the context of the co-researchers' actual stakeholder network, at Section 7.5.3 following.

#### ***7.4.5 Declared but dubious engagement***

In contrast with the somewhat antagonistic and self-censored communications and engagement between many co-researchers, one of them claimed, during the interview, to have strong networking relationships with other stakeholders in the club industry (explained at Sections 5.7.1 and 5.7.6). However, the type of strong relationship that was claimed was apparently not reciprocated, because the co-researchers representing those other stakeholders did not report a similar level of productive engagement. This is taken to indicate that the co-researcher concerned may have intended, in the interview, to put sectoral engagements in a positive light, perhaps more positively than felt by other co-researchers. This inclination appears to be consistent with my impression of the tone of that interview. I understood the co-researcher to be concerned *not* to appear critical during the interview, for fear of damaging the relationship he enjoyed with other stakeholders (explained at Section 5.7). This co-researcher appeared eager to develop a consultative relationship with other stakeholders that might enable him, and others, to input into decisions affecting gambling policy.

#### ***7.4.6 Confounding stakeholder arrangements***

The stakeholders' attitudes to engaging with each other are taken to be confounded by the existence of a progressive "new guard" and a reactionary "old guard" among clubs (explained at Section 5.5.5 and 5.5.6). There is evidence that these factions result from developments in the club sector that have more highly educated professional management structures working – in a "constant battle" – alongside less well educated "boofy old Aussie blokes" on clubs' boards of directors (discussed at Section 5.5.6). Of all the attitudes that impact stakeholder engagements across the club sector, the disparity in the perceived skills level and education of club managers and directors has the potential to be the most confusing. This is because, of the 1400 registered clubs in New South Wales, only 500 have a professional management structure (according to a co-researcher from one of the peak bodies: Section 5.4.2). The remaining 900 are generally managed by the reactionary "old guard" of "boofy" directors, and the relatively small size of these clubs

means that that method of management is unlikely to change in the short term. What's more, the "old guard" perspective can be prominent even in those larger clubs where directors are more dominant. Consistent with this, the need for professional development of directors was remarked upon by most of the co-researchers.

#### ***7.4.7 Implications for the club sector***

Given the nature of the club industry's stakeholder engagement practices as depicted in this study, it is perhaps understandable that articulating sector-wide stakeholder perspectives on poker machine gambling is problematic. Contributing to these difficulties are the co-researchers' adversarial, guarded and self-censoring inclinations, as well as the political dimensions and confounding factional tensions in the club sector. In turn, this points to the suggestion that many stakeholders can be understood to be unclear about the true perspectives of the other stakeholders with whom they engage. Such lack of clarity, which is compounded by the guarded and often disingenuous communications among co-researchers, can be seen to exacerbate the problems for stakeholders in engaging with each other across the sector. It is perhaps also understandable therefore that the co-researchers should take such strong views on the issue of problem gambling. In an environment of such antagonism, suspicion and self-censorship, there is perhaps little scope for genuine stakeholder engagement. Any engagement could therefore be understood to be influenced by attitudes ranging from aggression to fear.

The following sections analyse the stakeholder network structures of the co-researchers.

#### **7.5 Analysis of co-researchers' stakeholder networks**

The following analysis of the co-researchers' stakeholder networks draws on the three relationship attributes articulated by Mitchell, Agle and Wood (1997). First, the *power* attribute refers to the influence each stakeholder can bring to bear in its relationship with the focal organisation. Next, the *legitimacy* attribute conveys an understanding of the accepted structures and behaviours surrounding the stakeholder's relationship with the

organisation; while the *urgency* attribute is an indication of the importance that the stakeholder’s claims have for the focal organisation. (These attributes are also discussed in Section 3.4.1.)

For this analysis, an assessment has been made of the power, legitimacy and urgency attributes for each of the stakeholder organisations included in this study. These assessments have been developed from my interviews with the co-researchers (as detailed in Chapter 5) and from my observations and analysis of the co-researchers’ engagement and interactions (explained in Chapter 6). These assessments separately rate the attributes for each of the eight stakeholder organisations: a rating of either “High”, “Mid-level” or “Low” has been assigned for each attribute. Table 7.3 details this analysis.

Stakeholder organisations	Power attribute	Legitimacy attribute	Urgency attribute	Stakeholder type
Clubs Peak Body 1	Mid-level	High	Mid-level	Discretionary***
Clubs Peak Body 2	High	High	High	Definitive***
Government	High	Mid-level	Low	Dormant/ Dominant***
Community Welfare Peak Body	Low	High	Mid-level	Dependent/ Discretionary**
Counselling Service 1	Low	Mid-level	Mid-level	Dependent**
Counselling Service 2	Low	Mid-level	Mid-level	Dependent**
Local Council 1	Low	Mid-level	Low	Discretionary*
Local council 2	Low	Mid-level	Low	Discretionary*

**Table 7.3: Analysis of each stakeholder organisation’s relationship attributes and stakeholder type (Following Mitchell et al, 1997)**

Mitchell et al used the inter-play of these relationship attributes with each other to develop a “stakeholder typology” (1997, p. 874), and this was described in Chapter 3 (at Table 3.2). With reference to this typology, and the inter-play of the attributes for each of the study’s stakeholder organisations, Table 7.3 also assigns a stakeholder “type” to each organisation. Because any stakeholder type is dependent upon the inter-play of each

of the three relationship attributes, some stakeholders may be found to constitute the same “type” of stakeholder, although these stakeholders of the same type may well exhibit different levels of attribute intensity. For example, a “Discretionary” stakeholder possesses legitimacy, but it has lesser levels of power and urgency. However, because this analysis has rated each relationship attribute on three levels (high, mid-level and low), Discretionary stakeholders can be found to exist at graduated levels of intensity. Therefore, in Table 7.3, Clubs Peak Body 1 is listed as a Discretionary stakeholder, with a high rating of the legitimacy attribute, but mid-level ratings for the power and urgency attributes. Similarly, but with less intensity, Local Council 1 has a mid-level rating for legitimacy – its highest attribute rating – and it has low ratings for both power and urgency. Because the inter-play of the attributes ascribed to Local Council 1 is the same as that of Clubs Peak Body 1, they both represent the same *type* of stakeholder. However, as the Peak Body has comparatively higher ratings on each attribute, its stakeholder status is understood to have greater intensity. To take account of this, Table 7.3 uses a system of asterisks to signify differing levels of stakeholder intensity, when ascribing a stakeholder type to each of the study’s stakeholder organisations. Under this system, three asterisks are used to identify the strongest level of stakeholder intensity.

On this analysis, both club peak body organisations and the government can be understood to have the most intensive stakeholder relationships with the clubs. Next in level of intensity, with two asterisks, are the Community Welfare Peak Body and both counselling service organisations. The stakeholders with the lowest level of stakeholder intensity, with one asterisk each, are the local councils.

As a verification of this analysis, it is claimed that, in a broad sense, my interviews with each of the co-researchers support exactly this overall variation in the intensity of these stakeholder organisations’ relationships with the clubs. The stakeholder organisations which have the most intensive relationships with the clubs are those that can be understood to be more closely associated with the development of poker machine gambling in clubs – the peak bodies and the government. (As pointed out by several co-researchers, the government occupies various roles in relation to gambling; and in one of



these roles the government is a beneficiary of gambling, as a recipient of taxes. The government's position in the stakeholder networks is discussed in detail at Section 7.5.3 following.)

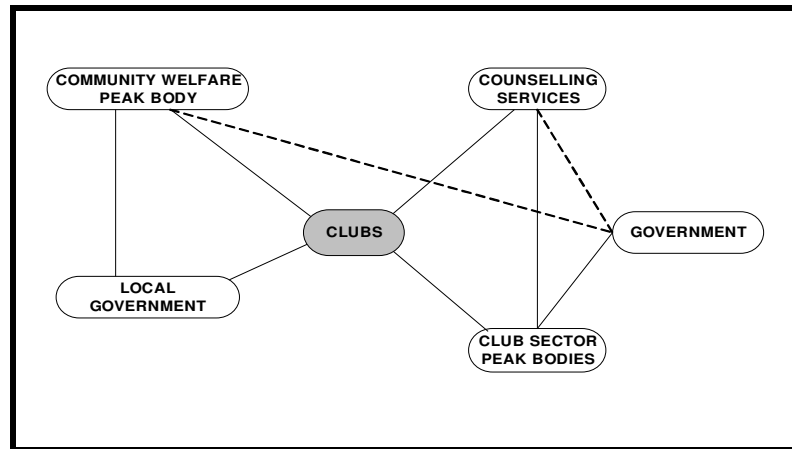
Further, those stakeholder organisations which are at a mid-level of stakeholder intensity are those which can be seen to be most closely associated with the support of problem gamblers – the counselling services and the community welfare peak body. Lastly, those stakeholder organisations which have the weakest stakeholder relationships with the clubs are those which can be understood to mostly assist clubs to disperse their mandatory community contributions to local community groups. (These community contributions take the form of club payments under the Community Development Support Expenditure Scheme, discussed at Section 2.6.1). While the local councils are also called upon to comment on impact assessments of changes to poker machine gambling activities in their jurisdictions, it appears that these comments carry little weight, according to these co-researchers (at Section 5.8.3).

Such varying levels of stakeholder intensity can be used as a guide to understanding the structure of the network arrangement involving these stakeholder organisations and the clubs. On this basis, Clubs Peak Body 2, with high levels of all three relationship attributes has the most intensive relationship with clubs; and this would seem to be consistent with the views of all co-researchers. With such a strong position in the stakeholder network arrangement, the peak body can be seen to take a commanding position in the network. Also, as discussed earlier at Section 7.4.3, Clubs Peak Body 2 is also part of the privileged membership of the Club Industry Working Group, which is understood to “speak for” the broader club sector in the Working Group's deliberations with government on matters of policy. As the clubs therefore appear to take a subservient position, in this way, the commanding position of the club sector peak bodies may be seen to give those organisations something of a focal position in an alternative stakeholder network arrangement. With their privileged advisory role as members of the Working Group, the alternative network arrangement which has the peak bodies at its centre highlights a clear networking connection between those organisations and

government. From this perspective, any relationship which clubs might be understood to have had with the government would appear to take on vicarious characteristics. In this way, the clubs' relationships with government are actually experienced through the more direct relationship between the peak bodies and government. Accordingly, in this understanding of the stakeholder networks, clubs are not seen to have a direct relationship with government, and this is consistent with the comments of the government co-researchers (discussed at Section 5.5.7).

In Table 7.3, two of the stakeholder organisations show dual characteristics of two different types of stakeholders: these are the government and the Community Welfare Peak Body. These dual characteristics arise because, with three rating levels for each of the stakeholder relationship attributes, the inter-play of their ratings for the attributes can exhibit aspects of two different types of stakeholders. For example, the Community Welfare Peak Body can be considered a Discretionary stakeholder because that organisation is understood to have a high level of legitimacy, and lesser levels of the power and urgency attributes. At the same time, that organisation is lacking in the power attribute, but has higher levels of legitimacy and urgency attributes; and thus it can also be understood to have the characteristics of a Dependent stakeholder. Similarly, the government has the characteristics of both the Dormant and the Dominant stakeholder types, and the position of the government in the network arrangements is discussed in detail at Section 7.5.3 following.

This foregoing analysis of the stakeholder network relationships between clubs and the study's stakeholder organisations offers an insight into the structure of their overall stakeholder network. A diagrammatic depiction of the network, in Figure 7.1, shows clubs as a focal point in the network.



**Figure 7.1: Structure of the study's stakeholder network showing clubs as a focal point in the network (Following Rowley, 1997)**

This network diagram shows two apparently separate tripartite relationships which have clubs as their common element. One of these tripartite relationships is represented by the unbroken lines connecting the clubs, the club sector peak bodies and the counselling services. This arrangement is understood to take account of the social “costs” of gambling in clubs, represented by the negative impacts through problem gambling and the resources required for treatments needed (and in some cases mandated) to address those negative impacts. The other tripartite relationship is shown by the unbroken lines in the arrangement between the clubs, the Community Welfare Peak Body and the local government stakeholder organisations. This arrangement can be understood to concentrate on the social “benefits” of clubs in the community, with a particular focus on payments to local community groups, especially through the Community Development Support Expenditure Scheme.

A possible third sub-network arrangement could be seen to be represented by the unbroken line connecting government and the peak bodies. However, whether this could be seen to act as a stakeholder sub-network arrangement is unclear. The broken lines in Figure 7.1 are intended to indicate weak associations depicting a reliance on government, rather than a more equal interactive connection; and this characterisation of these associations was referred to by Interviewee 2 from the State Government (discussed at section 5.5.7).

This analysis of the stakeholder network diagram calls stark attention to both the social costs and the social benefits of clubs, in the community; and given the level of poker machine revenue derived by clubs, this can be an expected and unremarkable outcome of this analysis. By contrast, though, the May 2007 Issues Paper released by the Independent Pricing and Regulatory Tribunal into the review of the registered clubs industry in New South Wales makes no mention of the social costs of clubs in the community. That document has a strong focus on appropriately articulating and measuring the “social contribution” of clubs (Independent Pricing and Regulatory Tribunal, 2007, esp. p. 13 and Appendix 4). It is significant that, in calling for the review, the Terms of Reference issued by the New South Wales government made no mention of any social costs of clubs in the community. Therefore, consideration of the social costs of clubs was intended to be beyond the scope of the IPART’s review. This can be taken to be telling, not only about the outcome of the IPART review, but also about the government’s expectations for it. The Terms of Reference can be seen to have the likelihood to bias the review. In the context of Utting’s (2005b) contention that “business elites ... are proactively trying to influence, control and lead the agenda of institutional reform and social and economic change” (2005b, p. 23), the government’s interjection of bias in the IPART review could be seen to be an example of “business elites” exerting their influence. This suggestion carries some weight by drawing on the financial dimension of the government’s perspectives of problem gambling (explained at Section 7.3.2).

Another feature of the network diagram shown in Figure 7.1 is the absence of any network connections between the stakeholders which make up the two different tripartite arrangements. This indicates the absence of any stakeholder relationships between those stakeholders who are associated with the social costs and those who have a focus on the social benefits of clubs (other than the clubs at the centre of the network). The data also suggest that the network relationships between these stakeholder organisations appear to be fixed in these positions, with little or no indications of any fluidity or flexibility in the stakeholder organisations’ positions in the networks. These fixed positions are taken to have been developed from the prior engagement and interactions among the co-

researchers. There are numerous examples in the data that depict problematic interactions between co-researchers in the past (for example, Sections 5.3.15, 5.4.1 and 5.6.3). Also, while all of the co-researchers appeared to have enthusiastically participated in this study's interview process, they can also be understood to have had markedly less enthusiasm for the opportunities of engaging with the other co-researchers, at *The Problem Gambling Network Forum*. This lack of enthusiasm for engaging with others is shown by the relatively low attendance at the Forum (discussed at Section 6.4), and the reluctance of co-researchers to meet at another subsequent forum session (explained at Section 6.4.5).

At a practical level, however, the possibility of more productive stakeholder engagement could be anticipated among stakeholder organisations within each of the sub-networks represented by the tripartite arrangements. This would appear to be a reasonable construction of the existence of the separate tripartite sub-networks, in view of the shared focus of stakeholders within those separate sub-networks on either the social costs or the social benefits of gambling in clubs.

### ***7.5.1 Non-participating “stakeholders”***

Figure 7.2 depicts a stakeholder network diagram that incorporates those organisations which were invited to participate in the research, but had declined to do so. The network connections shown here have been constructed from comments by the co-researchers about these non-participating organisations. The introduction of these non-participating “stakeholders” into the network diagram appears to achieve a remote connection between the separate tripartite arrangements mentioned above. This connection seems to have been accomplished through the introduction of the Community Welfare Advocacy Body and the Gamblers' Association, especially.

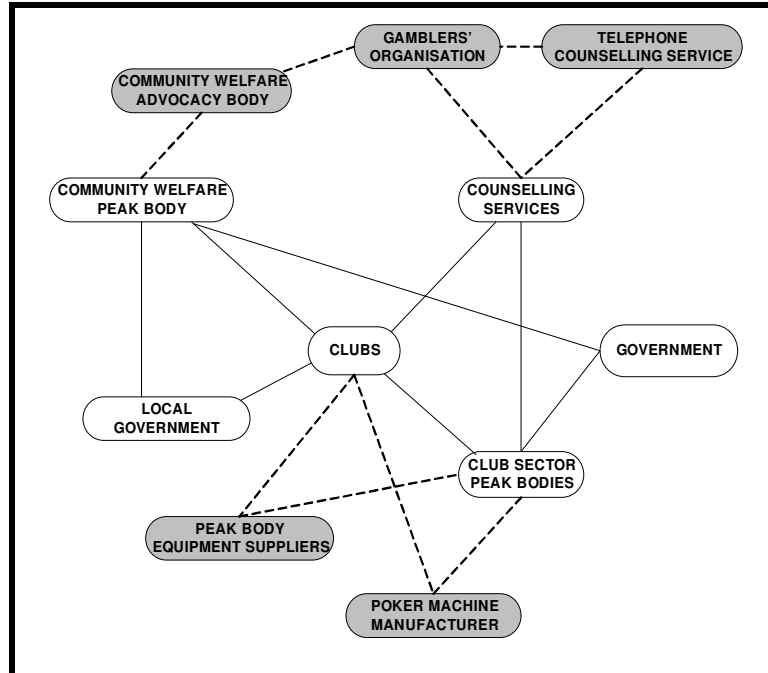


Figure 7.2: Perceived position of non-participating stakeholders in the network (Following Rowley, 1997)

This expanded network diagram also shows that three of the non-participating “stakeholders” appear to have no direct network connection with clubs. On this basis, the Community Welfare Advocacy Body, the gamblers’ organisation and the telephone counselling service can all be understood to have declined the invitation to participate in the research, possibly because they did not believe themselves so connected with clubs as to be influential in the stakeholder dynamic. The network configurations which include these organisations can be seen to focus on providing support for problem gamblers, but without the immediate involvement of the club sector. This understanding of the network arrangements gives rise to another observation about the network. While gamblers might be understood to be stakeholders of clubs – at least in their capacity as customers of clubs’ poker machine business – once gamblers can be characterised as *problem gamblers* (who are in a successful treatment or support program) their position in the network seems to connect more closely with the gambling treatment and support organisations. It is almost axiomatic to suggest that problem gamblers are not expected to have network connections with clubs (assuming they are in successful treatment or support programs), but it is nonetheless pertinent to note that, for the purposes of the

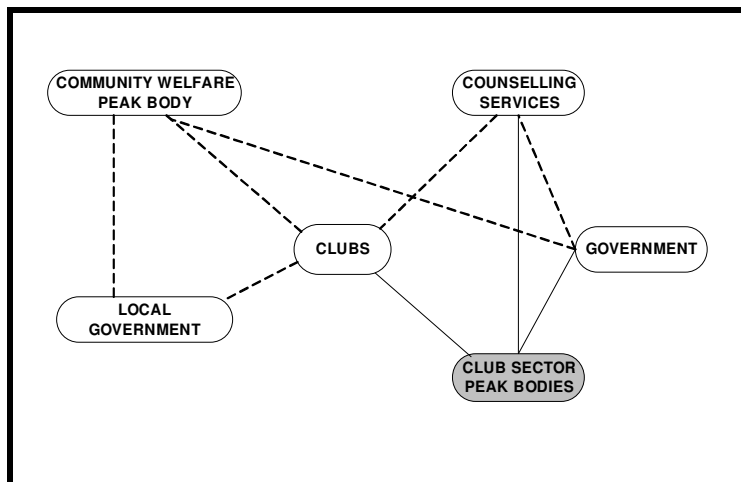
stakeholder network, the position of gamblers in the network can be seen to alter once they are characterised as problem gamblers (in treatment).

Another explanation for these non-participating stakeholders' disinclination to participate in the research could stem from their categorisation as either primary or secondary stakeholders. For Clarkson (1995, p. 106), "the corporation cannot survive as a going concern" without the participation of primary stakeholders; and secondary stakeholders "are not engaged in transactions with the corporation and are not essential for its survival" (1995, p. 107). Thus, as secondary stakeholders without direct network connections with clubs, it could be anticipated that the Community Welfare Advocacy Body, the gamblers' organisation and the telephone counselling service might be less interested to participate in the study.

However, Figure 7.2 also shows that two of the non-participating "stakeholders" have direct network relations with clubs. These are the peak body for gambling equipment suppliers and the poker machine manufacturer, both of which could be understood to constitute or represent suppliers to the club sector. In that these do not have any network connections beyond clubs and the clubs peak bodies, their influence on the stakeholder network dynamics can be understood to be commercially driven, with emphasis on a pro-gambling stance. Clarkson (1995) and Carroll and Buchholtz (2009) both include suppliers in the category of primary stakeholders, and this would seem to complicate the explanation for these non-participating stakeholders' disinclination to participate in the study. Even so, an explanation might be found, not in their categorisation as primary stakeholders, but instead, in the nature of their perceived relationships with clubs and the club sector peak bodies. Put simply, these non-participating stakeholders could well have been daunted by the commercial influence of the clubs and clubs peak bodies, and thus preferred not to participate under that pressure; especially when the research focus on social responsibility may have operated to draw attention to the negative impacts of clubs' gambling operations.

### 7.5.2 Network influence of the club sector peak bodies

Table 7.3 (above) depicts Clubs Peak Body 1 as a “Discretionary\*\*\*” stakeholder of the clubs, while Clubs Peak Body 2 is taken to be a “Definitive\*\*\*” stakeholder. Although these organisations are therefore understood to represent a somewhat different stakeholder *type*, because they have a three-asterisk rating, both can be taken to maintain the highest level of stakeholder intensity in their relationships with clubs. Because both peak body organisations are members of the Club Industry Working Group, both appear to take up the privileged position of “speaking for” the broader club sector, in the course of their deliberations and recommendations in the Working Group. In this way, both peak body organisations can be seen to intervene between the clubs and the government, thereby contributing to the government’s vicarious experience of its relationship with clubs. On this basis, both peak body organisations are understood to be the focal organisations of an alternative stakeholder network, and this is shown diagrammatically in Figure 7.3 as three unbroken lines.



**Figure 7.3: Structure of the stakeholder network showing club sector peak bodies as the focal organisation (Following Rowley, 1997)**

In this network arrangement, the clubs sector peak body organisations can be understood to operate as a filter, or a gatekeeper, in the government’s relationship with the clubs.



Further understanding of the nature of this network arrangement can be drawn from an analysis of the different levels of stakeholder engagement, as explained by Pedersen (2006). Using this framework, engagement between a focal organisation and its stakeholders can be assessed on five different dimensions of involvement, as shown in Table 7.4.

Dimension	Level of engagement	
	<i>Low</i>	<i>High</i>
	<i>Inclusion</i>	Only a few privileged stakeholders are included ↔
<i>Openness</i>	Dialogue structured around fixed problems/issues ↔	Dialogue structured around open problems/issues
<i>Tolerance</i>	One position has priority over others ↔	New, alternative and critical voices are respected
<i>Empowerment</i>	One stakeholder dominates the dialogue ↔	Freedom and equality in dialogue and decisions
<i>Transparency</i>	No access to process and outcomes of dialogue ↔	Full access to information about process & outcomes

**Table 7.4: Dimensions of stakeholder involvement and level of engagement (Pedersen, 2006, p. 141)**

By applying this framework to the engagement between the club peak body organisations and the clubs, it can be seen that the peak bodies' engagement with clubs can be rated low on all five dimensions of involvement, for the most part. This suggestion can be understood to support the earlier contention that the peak bodies have taken a commanding position in the primary network which positions clubs as the focal organisations. In that the OLGR's announcement of the establishment of the Club Industry Working Group included some "highly experienced club CEOs" among the membership (NSW DASR, 2006, p. 32), it is supposed that these CEOs could have been selected for their inclination to support the peak bodies in their command of the stakeholder networks. In view of the influence that the peak bodies would therefore appear to be able to exert in the networks, it can also be supposed that those organisations may well be in a position to secure the membership of the selected "highly experienced CEOs" in ways that shore up the peak bodies' command of the networks.

Against that backdrop, the broad range of individual clubs can be understood to have little scope to bring to the stakeholder networks any perspectives that might run contrary to those of the club peak body organisations; and this is consistent with the attitudes expressed by the club co-researchers (discussed at Section 5.3.3). After all, the peak bodies can be seen to occupy a gatekeeper position between clubs and the government, and the peak bodies could be expected to operationalise that position, apparently, by shoring it up against contrary influences.

While the government has something of an isolated position in these stakeholder networks, its strongest relationship – if not its *only* substantive relationship – is with the club sector peak bodies. The network influence of the government is analysed in the following Section.

### ***7.5.3 Network influence of government***

The government department responsible for gambling administration and policy has been acknowledged to hold multiple – and apparently conflicting – responsibilities around gambling in clubs. These incorporate responsibility for the formulation and administration of gambling policy, the funding of treatment programs for problem gambling and the conduct and direction of gambling research. The government is also a beneficiary of gambling, through taxes. These responsibilities and perspectives were not only acknowledged by the government co-researchers (at Section 5.5.1), but the multiplicity of responsibilities was also criticised by other co-researchers as an impediment to adequate gambling management (at Sections 5.3.6; 5.4.5; 5.6.2 and 5.7.3).

The conflict arises for the government because, on the one hand, it stands to benefit from gambling activities (through taxes) and, on the other hand, it has responsibilities to support and protect those members of the community who are detrimentally affected by gambling. As a result of this conflict, the government could be expected to respond to gambling-related issues in differing and inconsistent ways, according to the nature of the government perspectives and interests that are predominant at the time and in the context

of that response. These conflicting representations can therefore be seen to lead to some confusion for the government about how it should exercise its stakeholder interests with others. Such confusion could be seen to explain the attitude of “befuddlement” that was found in the government co-researchers’ perspectives on problem gambling (explained at Section 7.3.2).

Additionally, the government’s perspectives and engagement in the context of poker machine gambling in clubs can be understood to be complicated further by the responsibilities the government owes to other gambling operators in the State. (What’s more, the club co-researchers understood the NSW government to prefer those other gambling operators, in preference to clubs as discussed in Section 5.3.3.) In this context, the government itself may be seen to be the focal organisation in yet another stakeholder network, in which the casino and pubs, for example, as well as the club sector peak bodies, take up their own individual hub-and-spoke relationships around the government’s central position in this further network. Nonetheless, with additional network connections beyond the club sector, the government’s perspectives on gambling can be understood to be vastly complicated, and it can therefore be easily recognised as a source of confusion and “befuddlement” for the government.

#### ***7.5.4 Trends in co-researchers’ engagements and interactions***

The data can be understood to evidence both positive and negative indications in the trends in future engagement and interactions among co-researchers and other stakeholders in the club sector.

The two notable collaborations between the study’s stakeholder organisations (explained at Section 7.4.2) indicate that, despite perhaps initial suspicions about collaborating with others, some co-researchers can be seen to accommodate others’ perspectives without mitigating their own. Further, the circumstances of these collaborations can provide insights into possible future collaborations. The collaboration between Club 2 and Counselling Service 1, for example, principally involved only those stakeholder

organisations in a problem gambling counselling project. (However, when the collaboration drew media attention, other clubs may have been drawn into the collaboration, by implication, because the initiative could have been taken to have highlighted the absence of similar projects involving other clubs.) In any case, that collaboration did not require the involvement of any other stakeholders in the club sector (other than gamblers seeking treatment and support). This, then, can be seen to set up a likely method for future collaborations and engagement in the sector. In this way, stakeholders may appear apt to collaborate when the impact of that collaboration is limited to the stakeholders concerned.

Furthermore, the collaboration between Club 2 and Counselling Service 1 was additional to those stakeholders' other more mainstream activities. This meant that each of these organisations were able to maintain their philosophical and other perspectives on gambling, while also engaging in the collaboration. In this case, Club 2 was able to continue its poker machine operations, and Counselling Service 1 maintained its opposition to gambling "in any form". It was therefore crucial to the collaboration that each stakeholder was able to sustain its mainstream activities, in addition to the collaborative project. Thus, it can be said that stakeholders may be inclined to collaborate with others when the collaboration does not interfere with each stakeholder's other activities or their overall perspectives on poker machine gambling.

Several co-researchers expressed views suggesting that the regulation and management of gambling are considered to be in a volatile and uncertain state. This attitude can be understood to be fuelled by the regular release of prevalence studies on gambling and by the outstanding official reviews of registered clubs and gaming machine legislation (discussed at Section 2.8- 2.10). Such uncertainties can be seen to influence stakeholders into taking a cautious approach in their engagement and interactions with others. This may also lead to stakeholders withdrawing from engagement opportunities. Also, the co-researcher from one of the club sector peak bodies expressed the view that, because the sector was susceptible to sudden changes in regulation and practice, it needed to be vigilant and prepared "to sit up and look at protecting the industry under treat ... threats

that weren't there previously" (Section 5.4.1). Such uncertainties can be compounded by the apparent confusion of government in its perspectives on gambling, and by the complicated nature of the stakeholder networks around gambling in the State. For example, there has been no strategic planning around poker machine gambling in club sector. Pointedly, however, the IPART report into the *Review of the Registered Clubs Industry in NSW* (IPART, 2008) gave some mention of the social costs of gambling in clubs, even though that was not included in its Terms of Reference. Nonetheless, "IPART concluded that the industry's social contribution is positive" (2008, p. 2), with apparently little regard for those negatively affected by gambling in clubs. Moreover, perhaps to shore up that view, IPART also recommended that "any future changes in Government policy affecting the revenue stream from gaming machines should be preceded by consultation with the clubs industry" (IPART, 2008, p. 3). Thus, the IPART review can therefore be understood to contribute to the prevailing sense of uncertainty in the sector. In such circumstances, the volatile and uncertain nature of the gambling industries can be taken to contribute to a stifling of future engagement and collaborations among stakeholders.

In another indication of future trends in co-researchers' engagement, the co-researcher from one of the counselling service organisations, during the interview, expressed views that could be understood to evidence not only dissatisfaction with the inadequacies of the current system of gambling policy and management, but also his resignation to the continuation of the prevailing apparently defective system (explained at Sections 5.7.3 and 5.7.4). There can be seen to be a sense of almost despair in the co-researcher's resignation of the government's perceived inability to appreciate the necessity for appropriate funding of treatment programs. Given the widespread dissatisfaction among all except one co-researcher about the government's management of gambling in the State, any resignation among stakeholders to the possibility of necessary change could also be seen to frustrate engagement and interaction among stakeholders in the sector.

At the same time, however, there was a willingness – even an eagerness – from another co-researcher to engage with the others (discussed at Section 5.7.6). I understood this

inclination for engagement to be an attempt to give that stakeholder (and possibly others) an opportunity to input into decisions about gambling policy and management. This co-researcher specifically mentioned a gambling industry consultative body that had been convened under a former State Minister responsible for the gambling portfolio. According to the co-researcher, the constitution of that body was more inclusive than the current Club Industry Working Group. This perceived eagerness to engage with others in the club sector appears specific to this co-researcher: others certainly did not exhibit the same willingness. In any case, this co-researcher was unable to attend both scheduled sessions of *The Problem Gambling Network Forum*: the first session proposed for 19 May 2005 was postponed to 22 June, and the Forum took place on the latter date as explained in Section 4.6.3. Despite the enthusiasm of this co-researcher, there is nothing in his approach to indicate that it might represent a wider trend among other co-researchers for engaging with others.

#### ***7.5.5 Capacity for change in the stakeholder network***

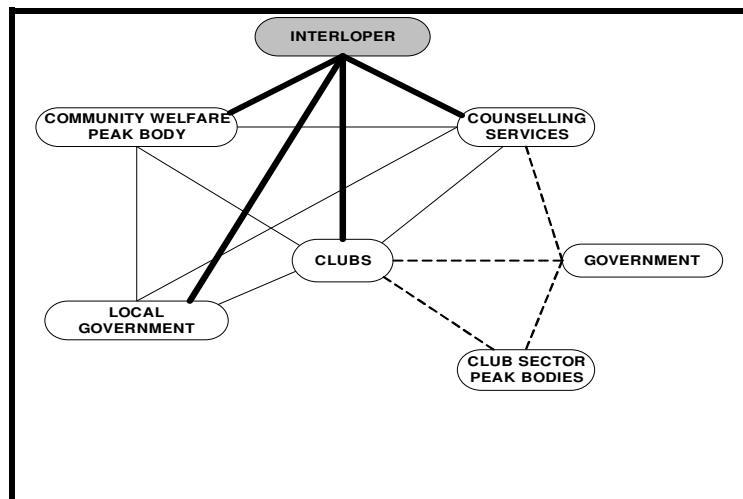
The need for change in gambling policy and administration in the club sector can be construed from the widespread dissatisfaction among the co-researchers about the management of poker machine gambling in the State, and from the skewed nature of the industry's stakeholder networks. Gambling management in New South Wales appears noticeably out of step with developments and trends in other Australian States, such as Queensland, South Australia and Tasmania, as well as countries like New Zealand and Canada which Australian jurisdictions might take as points of reference.

In view of the New South Wales government's attitude to gambling management, including the OLGR's proclamation to assume "unambiguous control" of gambling management (discussed at Section 2.8), any changes introduced by, or with the influence of, the government are likely to continue its existing "befuddled" path. Support for this contention can be taken from, for example, the government's Terms of Reference for the 2007 IPART review into the club industry. That review was not required to consider any likely social costs of clubs to the community, even though gambling is well recognised as

integral to clubs' revenue, and despite the fact that problem gambling is equally well recognised to represent a negative impact of gambling (IPART, 2007).

Thus, change from within the sector is unlikely, given the nature of the existing stakeholder networks (discussed in Section 7.5) and in view of the powerful influences that the club peak bodies and government can bring to bear in those networks. It can be expected, therefore, that none of the other existing stakeholders would appear to be able to take up a sufficiently dominant position in the existing network frames so as to significantly influence the current direction of gambling management in the State. At least there is nothing in the research data to indicate how any of the co-researchers might operate differently so as to exert stronger influence in the current stakeholder dynamic.

Nonetheless, the following discussion argues that change may be possible through the introduction of an additional stakeholder, which might be considered an interloper in the existing stakeholder arrangement. Against the background of the current stakeholder network, Figure 7.4 shows a possible structural position of a hypothetical interloper in the stakeholder network of gambling in clubs.



**Figure 7.4: Supposed structural position of a hypothetical interloper in the stakeholder network of gambling in clubs**

Because the government occupies a position at the periphery of the current stakeholder network, it can be understood to have a somewhat vulnerable position in the network dynamic. This is because it would appear possible to structurally exclude government from the dynamic, or at least mitigate its influence, if another influential entity were to join the network. Also, because the club sector peak bodies structurally lie between the government and the other stakeholders in the network, their influence in the dynamic would appear to be dependant upon the government maintaining its dominance for gambling policy and administration.

This suggests, therefore, that there may be scope for another player – an Interloper – to join the stakeholder arrangement. In Figure 7.4, the direct network connections to be made by the Interloper are shown as heavy lines, while the cross-stakeholder connections between those in the Interloper’s network are shown as light unbroken lines. Connections outside the Interloper’s network are represented by broken lines.

Drawing on the Gramscian theoretical framework explained at Section 3.4.4, the Interloper can be supposed to take a structural position in the existing stakeholder network, in order to develop the capacity to build a “war of position” strategy to disrupt the previous network dominated by the club peak bodies.

The war of position constitutes a longer-term strategy, coordinated across multiple bases of power. Its intent is to gain influence in the cultural institutions of civil society, to develop organizational and economic capacity, and to exploit tensions in hegemonic coalitions in order to win new allies (Levy, Alvesson & Wilmott, 2003, p. 102)

Therefore, the Interloper’s strategy might be, first, to engage with those stakeholders which are outside the existing powerful dynamic constituted by the State government, the club peak bodies and the selected “highly experienced” CEOs who make up the membership of the Club Industry Working Group. The Interloper’s initial engagements could therefore be with the Community Welfare Peak Body and Local Government (as shown by the heavy lines in Figure 7.4), as well as with those clubs and counselling services that are not associated with the Working Party. In a practical sense, the



Interloper could draw on the framework of stakeholder dialogue and engagement described by Pedersen (2006), and discussed at Section 7.5.2 in the context of the network influence of the club sector peak bodies. That discussion suggested that the peak bodies are prone to practice a low level of engagement with the other stakeholders on all five dimensions of dialogue. In contrast with that approach, the Interloper could be motivated to adopt practices that have high levels of engagement, for reasons proposed by Levy et al (2003). With reference to the Pederson framework, Table 7.5 lists appropriate engagement strategies that would support this approach.

<b>Dimensions of dialogue</b>	<b>Engagement strategies of the Interloper</b>
<i>Inclusion</i>	Include all relevant stakeholders in the dialogue
<i>Openness</i>	Structure the dialogue around open problems and issues
<i>Tolerance</i>	Respect new, alternative and critical voices
<i>Empowerment</i>	Exercise freedom and equality in dialogue and decisions
<i>Transparency</i>	Provide stakeholders with full access to information about process and outcomes

**Table 7.5: Strategies for Interloper engagement with network stakeholders (Following Pedersen, 2006, p. 141)**

By drawing these participating stakeholders together using high levels of engagement practices, the Interloper can also be seen to allow scope for each of these participating stakeholders to engage with each other. Such engagement could be anticipated to be across any tripartite arrangements and, with reference to the social costs and benefits of clubs, also across opposing perspectives. Such multiple engagement pathways are represented in Figure 7.4 by the heavy lines of the Interloper's relationships with participating stakeholders, and also by the lighter unbroken lines of other stakeholders' relationships. Not only does this understanding of the emerging network arrangement

enable the Levy et al (2003) articulation of the “war of position” strategy, but it also finds support in literature that claims to propose effective network processes (Calton & Payne, 2003; Svendsen & Laberge, 2005).

Also, given the supposed competitive nature of the relationship between both club peak body organisations, the Interloper may be inclined to invite the peak body which is now considered the less influential of the two to join the Interloper’s project. This approach can be understood to attempt to “exploit tensions in the hegemonic coalitions in order to win allies” (Levy et al, 2003, p. 120). Similarly, on the strength of the argument presented earlier for the introduction of a public health approach to the management of gambling (at Section 7.3.5), the Interloper may be inclined to seek the collaboration of the New South Wales Health Department. It is significant that this study has found widespread support for the public health approach (explained at Section 7.3.3). In Queensland, South Australia and Tasmania, the Health Departments of those States have policy formulation and administration roles, so the Interloper’s approach to the New South Wales Health Department could obtain traction by following that trend. To contribute to the Interloper’s strategies, the Australian Medical Association may be inclined to take a position in the new stakeholder network, in view of that Association’s identification of gambling as a public health issue (AMA, 1999).

The types of “activism” mentioned by Utting (2005a), and discussed at Section 3.4.4, are also relevant to the Interloper’s strategies. Two of these would appear applicable. These are “5. *Critical research, public education and advocacy*” and “6. *Collaboration and service provision*”. These could be expected to provide the Interloper with opportunities for appropriate activities that would support its project.

The identity of the supposed Interloper is not clear, however. It has already been suggested that the Australian Federal government may be inclined to take a more active role in the management of gambling in the State (at Section 7.3.5). As an indication of the likelihood of this, it is relevant that the Federal government has in recent times claimed responsibility for a range of issues, by preferencing its interests against those of

the Australian State and Territories. These issues include the Murray-Darling Basin Initiative (Department of Environment, Water, Heritage and the Arts, 2007), and Federal intervention in indigenous communities through a Northern Territory Emergency Response Taskforce (Australian Government, 2007a). This suggestion could develop some traction from the announcement on 3 July 2008 that the Council of Australian Governments – consisting of the Prime Minister, and State and Territory Premiers and Treasurers – has resolved to request the Commonwealth Treasurer to “arrange for the Productivity Commission to update its 1999 inquiry into problem gambling” (COAG, 2008a). This could be seen to take the debate about problem gambling into the Federal arena; thus providing scope for a Federal interloper.

Alternatively, the New South Wales Health Department may itself develop the characteristics of an Interloper, especially since government health portfolios are prominent in the management of gambling in Queensland, South Australia and Tasmania. This suggestion has particular interest since the New South Wales Gaming and Racing Minister, in May 2007, agreed to fund the inclusion of questions about gambling in the NSW Population Health Survey. Even though there was no official announcement from the Minister’s office, an online media report (News.com.au, 2007), quotes the Minister as saying that the inclusion of gambling questions in the Survey was intended to provide information about the community’s needs for counselling services. However, while this might have been the stated justification for including gambling in the State-wide health survey, any of its findings could also be expected to provide useful understandings about wider public health issues that could more pointedly compel a stronger public health approach to gambling in the State. There appears nothing to indicate whether this was an intended outcome on the Minister’s part.

## **7.6 Understanding social responsibility in registered clubs**

This part of this chapter analyses the social responsibility of clubs, by reviewing the co-researchers’ attitudes to social responsibility, in the context of the study’s inherent assumptions and expectations about this. The following discussion also considers the

impediments to social responsibility and the capacity for change in the sector's understanding of the social responsibility of clubs.

### ***7.6.1 Assumptions and expectations about social responsibility***

For the purpose of this discussion attention can be drawn to those parts of the study's research question which contemplate actions or engagement by clubs or their stakeholders that could "lead to a socially responsible approach to the management of poker machine gambling in clubs". In this way, the research question makes two assumptions. The first presumes that clubs were not socially responsible before the stakeholder interaction referred to in the question. This might have been supposed because, after all, clubs had for some time operated as fully commercialised enterprises, as if they had the same economic imperatives of other businesses which were not incorporated as not-for-profit. Because poker machines were introduced first into the club sector in 1956, and as clubs are renowned for deriving significant income from the machines, it was perhaps reasonable to assume that there was scope for clubs to maintain a heightened degree of responsibility for the negative impacts of gambling. In that context, it was perhaps also assumed that the level of problem gambling in the community provided an impetus for clubs to adopt socially responsible practices.

A second, more implied, assumption in the research question is the suggestion that social responsibility constitutes a management practice that can be optimally implemented as a defined and unalterable process. In this way, social responsibility could be understood to represent a management process that would be operationalised as specific business actions which would be performed and completed, as part of an implementation strategy that could be defined at the outset. The research question might therefore be understood to have contemplated a notion of responsibility that did not consider attention to any conceptions beyond the performance and completion of those actions.

### ***7.6.2 Overview of co-researchers' attitudes to social responsibility***

The co-researchers' attitudes to gambling and their perspectives on problem gambling were found to be complex and in many ways dissimilar, as discussed at Section 7.3.2. This is understood to have contributed to some differences between the co-researchers about the nature of clubs' social responsibilities. While the co-researchers generally accepted that clubs have both economic and social responsibilities, there was a lack of consensus about how those responsibilities can be understood. The data indicate that there are three different notions of social responsibility that can be taken from the spectrum of views expressed by the co-researchers.

In the first of these, several co-researchers pointed to the not-for-profit status of clubs (discussed at Section 2.6.1). In this capacity, any profits from a club's activities are required to be either channelled back into the club as enhanced facilities and services for members, or paid out as contributions for community-based purposes. These characteristics of clubs are sufficient to signify that they "achieve social responsibility", according to the co-researcher from one of the club sector peak bodies (Section 5.4.7). He also said that social responsibility means managing the club in ways that accord with members' expectations. However, it can be acknowledged that a large number of clubs carry on business with a commercial focus. While they are forbidden to make payments to their members from the proceeds of their commercial operations, and because these proceeds are dispersed with the interests of members in mind, there is a context in which members' *interests* may be understood to benefit. Under this notion of social responsibility, the reach of the club's responsibility is restricted to the interests of club members. This notion of social responsibility does not seem to involve an appreciation of a club's wider range of stakeholders or their interests. In this way, this notion of social responsibility can be understood to lend support for the classic Friedmanite view that "the social responsibility of business is to increase its profits" (as discussed at Section 3.2). Accordingly, clubs can be taken to conduct their business operations for the benefit of members, whether that benefit is in the form of enhanced facilities or subsidised hospitality or entertainment, or even in the form contributions for community purposes

that advantage others in the members' community. On this basis, this notion of social responsibility, with its connection to the Friedman approach, has a restricted context.

By contrast, an alternative notion of social responsibility is one that is inclusive of a wider range of stakeholders. In this context, clubs would be expected to recognise the interests of the larger community, noticeably the interests of non-members of the club. The co-researcher from the Community Welfare Peak Body drew attention to this distinction: clubs have a tendency to make contributions to beneficiaries which put the club in a good light, she said. Clubs therefore focus on contributing to "sexy" causes, the co-researcher said; "things that are emotive" (Section 5.6.5). Also, with the domination of male club managers and directors, she said that clubs seem to have less appreciation for issues of relevance to women, for example, such as women's refuges. This awareness of the wider community and perhaps even of "non-sexy" issues call attention to problem gamblers as prospective recipients of club contributions.

The third notion of social responsibility to emanate from the data does not concentrate on the purpose of a club's responsible activities, but on the form in which the "responsibility" takes. In this case, a club's social responsibilities are satisfied through payments to groups in the community or for community purposes. This focus on the monetary dimension of responsibility can be taken from the views of co-researchers from the club sector peak bodies and the Community Welfare Peak Body. Because a large part of the latter's activities are concerned with obtaining funding for community-based projects and groups, it is perhaps to be expected that that organisation would maintain a concentration on the monetary attributes of social responsibility. In this context, responsibility is capable of being measured in terms of any club's payments for the gaming tax and its contributions under the Community Development Support and Expenditure (CDSE) Scheme, as well as any further ad hoc payments to local community groups.

Co-researchers from the counselling service organisations and the Community Welfare Peak Body expressed the view that "the government" also bore a responsibility for

problem gambling in the community. This appeared to stem from two perspectives. First, the government was claimed to have a wide-ranging responsibility to protect the interests of those in the community in need of welfare and assistance, and problem gamblers fell into this category. Also, as an indirect recipient of the rewards of gambling business, the government was said to be responsible for the social costs of the activity. These claims were in addition to the generally held belief that clubs themselves had a social responsibility; and this view was clearly acknowledged by the clubs and the clubs peak bodies. Because these stakeholder groups acknowledged clubs' responsibility as well, the additional responsibility claimed to be on the government's part did not appear to be intended to shift responsibility from the club sector.

Several co-researchers took the view that social responsibility would need to be enforced. While this perspective was not expressed by the co-researchers from the clubs and the club peak bodies, the majority of the others accepted that, without mandatory requirements, at least some clubs could be expected to take a minimalist approach to their community and social responsibilities. It was pointed out that the resultant inequality would put those clubs which were socially responsible at a disadvantage. Further, there were already aspects of State-based inequalities around poker machines: it was pointed out that legislation regulating poker machine gambling in clubs was different from that which applied to the casino and pubs. It was also pointed out that these inequalities could well have the effect of driving clubs into taking less responsible attitudes. Several co-researchers had drawn attention to the unsettled regulatory environment in which clubs operated, and to the consequential sense of uncertainty about the extent to which clubs should be held responsible for problem gambling. Against this background, the CEO from one of the clubs was moved to suggest that his organisation would take a less cautious approach to its social responsibilities if there was more certainty about the future regulatory environment.

### ***7.6.3 Analysis of social responsibility in the club sector***

The attitude of the club sector to social responsibility can be seen to be influenced, to some extent, by the government's approach to responsibility for problem gambling. The imposition of monetary demands on clubs, in respect of problem gambling, seems to have led to a general acceptance among stakeholders of a regulatory approach to social responsibility. Section 3.5 drew attention to Zappala's (2003) identification of four separate public policy approaches to corporate citizenship. The second of these is "Regulation and legislation". Evidence of this in the club sector can be seen in the imposition of the gaming tax and mandatory club contributions to the Community Development Support Expenditure Scheme. However, it was suggested at Section 3.5 that, in view of the 2006 Federal government's Parliamentary Joint Committee Report on corporate responsibility, that government's stance on CSR is characterised by the first of these four public policy approaches: "Do nothing". The difference between the State and the Federal approaches can be attributed to the fact that the New South Wales government has regulated for problem gambling, as a specific social issue. Because there has been a suggestion – from a number of co-researchers – that the government also bears some responsibility for problem gambling, the "Regulation and legislation" approach at the State level is telling.

This approach can be seen to deflect responsibility away from the government – onto the clubs – using the same deflection strategy that has been documented in the CSR literature (and discussed at Section 3.3.2). In the case of problem gambling, the State government is understood to have deflected responsibility to the clubs by the imposition of these imposts. What's more, through the responsible gambling strategy developed by the Office of Liquor Gaming and Racing (OLGR), the State government has also deflected responsibility for problem gambling to gamblers themselves. This is apparent in the nature of the responsible gambling strategies which call on gamblers to make "informed decisions" (explained at Section 3.5.1). The notion that the State government has deflected responsibility for problem gambling to clubs and to gamblers themselves has



similarities with the suggestion (at Section 3.5) that that approach has also been adopted by the Federal government.

The OLGR's deflection of responsibility to gamblers for their gambling actions can draw attention to the perception in the community about gamblers' responsibility. A study by Wakefield, McLeod and Clegg Smith (2003) suggested that there is a societal expectation that individuals should be responsible for their smoking addictions. Extrapolating this study to the issue of problem gambling, it can be supposed that there could well be a societal expectation that individuals are responsible for the impacts of their own gambling actions. On this basis, it might be said that the OLGR's deflection of responsibility for problem gambling to the gamblers themselves is consistent with the community's attitude to those with addictive behaviours. However, Wakefield et al concluded that there was need for a community education program to inform the community about the true nature of addictions; the proper management of this requires a public health response. A similar type of public health approach could be supposed for program gambling.

The OLGR's approach is also interesting for the connection it makes to Utting's (2002) view of the chronological transition in the practice of CSR. That author pointed out that corporations were mandated to recognise their social responsibilities during the "command and control" transitional phase of CSR. Utting located this approach to the 1960s and 1970s (Section 3.3.2). Accordingly, in that the State government's imposition of the gaming tax and CDSE contributions is understood by some co-researchers to satisfy clubs' social responsibilities, this would appear to operate from the "command and control" phase.

There is a connection to be made, also, to Zadek's (2004) five stages of organisational learning about CSR (discussed at Section 3.4.3). From this perspective, the attitudes of the co-researchers who suggested that social responsibility in the club sector needed to be enforced can be understood to evidence Zadek's "Compliance" stage. Zadek (2004) also proposed four phases of issue maturity, which could be used to assist corporations to

understand the societal perception of a social issue (explained at Section 3.5.1). In this context, problem gambling would appear to be located at the lower end of that spectrum; at the “Emerging” stage. This is because, while there might be considered to be some societal awareness of the issue of problem gambling, there is also an emerging body of research. However, the data relevant to problem gambling could still be said to be weak.

#### ***7.6.4 A transitory perspective of social responsibility and problem gambling***

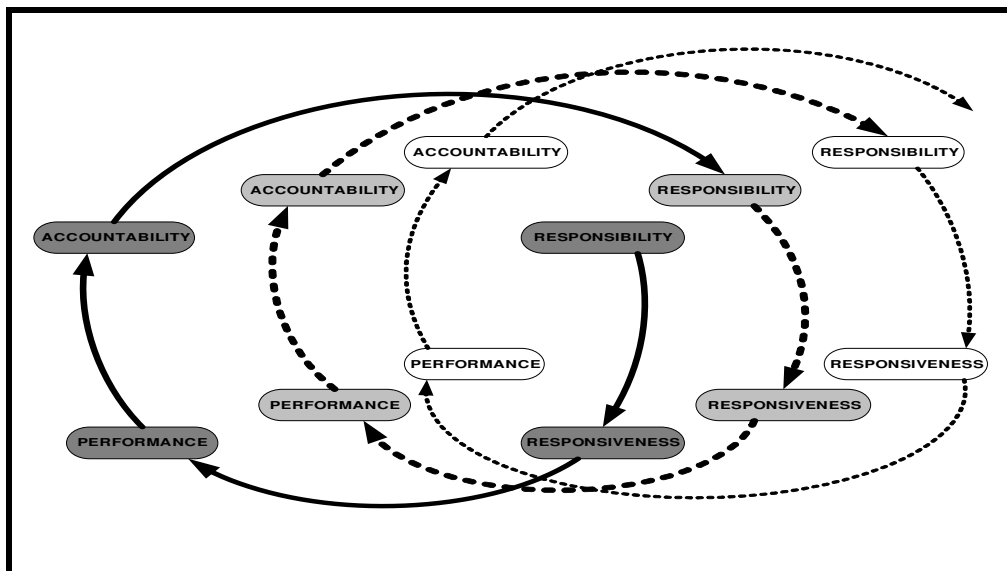
These theoretical viewpoints on the current practice of social responsibility for problem gambling highlight a progressive aspect to the practice. Utting (2002) proposed a progression towards co-regulatory mechanisms for corporate citizenship, and those mechanisms incorporated capacity for corporate *accountability*. At Section 3.4.3, *accountability* was suggested to be a further transitional step in the progression of citizenship concepts, as contemplated by Carroll and Buchholtz (2009). Figure 3.2 is a representation of this progression. This progression of CSR concepts suggest that corporate *responsibility*, *responsiveness*, *performance* and, finally, *accountability* can be understood to occur in respect of a corporation’s response to any social issue, such as problem gambling.

However, the Zadek (2004) propositions concerning the progressive stages of organisational learning about CSR and of issue maturity in society bring another transitional dimension into play. In this way, the social issue of problem gambling can be understood to be susceptible to its own transitional progressions: a maturation in society as a social issue as well as a progression through an organisation’s sense of its citizenship. As societal and organisational perceptions of problem gambling as a social issue can be expected to progress, so too can the organisation’s responsibility, responsiveness, performance and accountability for it change.

This argument articulates the need for clubs to anticipate a dynamic and progressive aspect of problem gambling and, consequently, the need for clubs to adapt their responses to problem gambling in light of the maturity of the issue in society, and their

organisational moves to keep abreast of that. In support of this understanding, co-researchers from Club 2 and the club sector peak bodies especially drew attention to changing societal perceptions of responsibility for problem gambling.

With attention to future conditions, stakeholder influences around problem gambling can be expected to require more of clubs than simple responsibility. After all, “responsibility” can be understood to be just the first step in the transitional phases of corporate citizenship. That concept also requires consideration of corporate responsiveness, performance and accountability. Figure 7.5 is a representation of the progressive nature of corporate citizenship concepts, in the transitional context of societal maturity and organisational learning. The diagram indicates that clubs’ social sensibilities and involvement can be taken to operate in a spiral which cycles around the citizenship dimensions of responsibility, responsiveness, performance and accountability. Progressive iterations of the cycle can be contemplated as the issue of problem gambling matures in society, and as clubs organisationally develop an enhanced sense of their social responsibility.



**Figure 7.5: Representation of the progressive nature of citizenship concepts  
(Following Carroll & Buchholtz 2009 and Zadek, 2004)**

This understanding of a progressive, transitory perspective of social responsibility and problem gambling can be seen to raise two questions about the nature of the variables that might drive progressive movement through this spiral dynamic. The first of these questions could be seen to focus on the environmental variables that might lead to an organisation's movement from one citizenship dimension to the next; from responsibility, through responsiveness and performance to accountability. The second question draws attention to the environmental variables that might be taken to influence movement from one plane of the spiral to the next. While the data does not address these questions, it might be supposed here that, as the various planes of the spiral could be taken to refer to the societal maturity of a social issue, this type of movement would appear to require understanding of macro-level variables.

Thus, while the research question might have supposed social responsibility to constitute a defined, unaltering management process, the practice of CSR can now be understood more as a transitory, progressive activity that will inevitably require continual attention from clubs. This attention can be expected to be directed at a number of, as yet unspecified, environmental variables; perhaps at the level of clubs' macro, meso and micro environments.

#### *7.6.5 Capacity for change in the practice of social responsibility*

With the anticipated possibility of stronger societal calls for a more responsible approach to the management of gambling businesses, it is suggested that gambling businesses could at some point in the future be found to be responsible to gamblers who suffer harm (discussed at Section 7.3.5). Similarities can be found with the progressive societal attitude that is critical of smoking, and with the celebrated lower court decision in favour of Rolah McCabe in her claims against a tobacco manufacturer (Wakefield, McLeod & Clegg Smith, 2003).

In addition to this, some aspects of the club sector already show what might appear to be progressive approaches to gambling in clubs. To some extent, there is evidence of this in

the criticisms by co-researchers from the clubs of the “old guard” in the “shallow tepid pool” of the club sector. More recently, there is further support in the announcement that poker machines would not be installed in refurbished premises of a prominent Sydney football club (Holmes a Court, 2007).

Despite the befuddled perspectives of the New South Wales government on gambling in clubs, the possibility of change in the social responsibility for problem gambling can be found in Draper’s (2006) five models for an industry-wide approach to CSR. In this context, the intervention of an Interloper (discussed at Section 7.5.5) could be seen to offer the possibility of a catalyst for change. In the Draper models (explained at Section 3.5.1), the catalytic impact of the Interloper could be understood to be relevant to the “Vision”, “Thematic Partnership” and “Political” models. With the involvement of an Interloper, it can be contemplated that relevant stakeholders could have the capacity to “fabricate their own liberating idea” (Freire, 1998, p. 516) for social responsibility; thus creating scope for them to engage with each other in ways that draw attention to clubs’ accountability for problem gambling, as proposed by Utting (2005a) (discussed at Section 3.4.4).

- *Club sector peak bodies*

A broad implication of the study is a suggestion that the club sector peak bodies appear to prefer an attitude that is resistant of the public health trends in gambling management. There are indications in the wider environment that other jurisdictions, such as Queensland, South Australia, Tasmania and New Zealand, have adopted more sophisticated public health strategies that, in addition to focussing on the minimisation of harm, also address gambling prevention strategies. The data reveal that the peak bodies appear to represent the “old guard” in the club sector, at least this was the implied opinion of the co-researchers from the clubs.

Although the data did not address it, a question raised by the study concerns the motivations of these peak bodies. The research has drawn attention to the possibility of a

competitive stance between them, with a concern about the extent to which they may be motivated by their own organisational imperatives, and the level of preference these could be given over the interests of clubs or the sector more broadly. Given clubs' reliance on poker machine income, the continued buoyancy of the sector and, therefore, the viability of the peak bodies themselves might be seen to rest on a continuation, if not the growth, of poker machine activity. Any threat to that – and threats “from every direction” were remarked upon by one of the peak body co-researchers – could be seen to represent a threat to the peak bodies themselves. Thus, the possibility of any mandated reduction in poker machine activity in clubs, presumably under a more genuine application of the public health approach, could be taken to place at risk not only many clubs, but also the peak bodies which represent them. This calls into question the degree to which the peak bodies might be understood to focus on the interests of clubs, in preference to the peak bodies' own interests.

Accordingly, an associated question concerns the extent to which the peak bodies might be understood to influence the current attitude of clubs to gambling in their venues, and the degree to which this could be related to the peak bodies' own organisational interests. The privileged, strategic position the peak bodies currently occupy in the stakeholders' network, especially in relation to government, would appear to call for some attention to these questions. This suggests the capacity for future research that would focus on the peak body organisations themselves, with the intention of uncovering clearer understandings of their connections and alliances with clubs and government. That research could also seek to reveal the mechanisms by which the peak bodies' objectives and strategies are established, and the nature of clubs' sector-wide involvement in that. This alludes to notions of the peak bodies' accountability to the sector: and this would appear to have some parallels with Utting's (2005a) assertion that, when working with corporations on CSR issues, influential NGOs can sometimes be found to skew their attitudes in ways that prefer their own organisational objectives in place of the corporations they claim to represent.

## **7.6 Chapter conclusion**

This chapter analyses the co-researchers' perspectives on problem gambling and their engagement and interactions with others. The chapter also contains an analysis of their stakeholder networks, and the nature of and capacity for change in social responsibility in clubs.

The analysis found support among the co-researchers for a public health approach to problem gambling and, while aspects of the gambling environment in NSW allows some empathy with the public health perspective, by contrast with the implementation of that approach in other jurisdictions, the NSW experience was taken to be disingenuous. Analysis of the co-researchers' stakeholder networks uncovered an arrangement which was seen to leave the government vulnerable to the intervention of an interloper. The discussion contemplated strategies that could be understood to support the interloper's engagement with stakeholders, with a view to the progressive development of sector-wide understandings of social responsibility.

Now, the following chapter contains my reflections and the conclusion of the research.

## CHAPTER 8

### REFLECTIONS AND CONCLUSION

	<i>Page</i>
8.1 Chapter introduction .....	289
8.2 Contributions of the study .....	290
8.2.1 Poker machine gambling in NSW clubs .....	290
8.2.2 Social responsibility and stakeholder engagement .....	294
8.2.3 Stakeholder engagement and the <i>learning history</i> methodology .....	296
8.3 Response to the research question .....	298
8.4 Reflections on changes in the discipline fields of investigation .....	299
8.5 Reflections on the criticalist approach to management research .....	306
8.6 Limitations of the research .....	308
8.7 Implications for future research .....	309
8.8 Thesis conclusion .....	312

#### **8.1 Chapter introduction**

This chapter concludes the thesis. It reflects on the contributions of the research in three areas: gambling in clubs, the stakeholder-participation approach to CSR and the study's adaptation of the *learning history* methodology. On this basis, the chapter presents the study's response to the research question, and provides some reflections about this. This discussion also identifies the limitations of the study and the implications for future research.

The conclusion of this chapter ends the thesis. This offers a philosophical reflection about a vision for the future of CSR practice and the place of corporations in society. The research is claimed to support that.



## **8.2 Contributions of the study**

As discussed in Section 1.6, I conceived the research as a dynamic interaction of three components:

1. The field of investigation, which I described in Chapter 2 as poker machine gambling in New South Wales clubs;
2. The theoretical framework of the study, which was explained in Chapter 3 as a critical approach to CSR and stakeholder engagement; and
3. The research methodology and methods, which I outlined in Chapter 4 as drawing on an adaptation of the *learning history* participative approach to action research.

As discussed in the following sections, the study can claim to have contributed to the body of knowledge in each of these areas.

### ***8.2.1 Poker machine gambling in NSW clubs***

The research offers little support for the current regulatory environment of poker machine gambling in clubs. While there was considerable support for the contributions that clubs make in the community, there was also significant criticism expressed about the regulatory framework of gambling. A majority of co-researchers drew attention to the government responsibility for this, and many of them implicated the clubs peak bodies for the unsatisfactory state of gambling management and administration. Consistent with this perhaps, the study has found that the phenomenon of poker machine gambling in clubs constitutes a complex field, and the prevailing issues surrounding it call for careful, detailed and perhaps even expert consideration. According to many co-researchers, it has plainly been insufficient, and not to say inappropriate, to over-simplify regulatory responses to societal calls for improved standards, with the type of knee-jerk quick-fixes that were later found to be inadequately assessed and improperly implemented. The self-exclusion program was cited as an example of this.

In this vein, the heritage of the NSW gambling regulator is worthy of some comment. The current regulatory unit in government (the Office of Liquor, Gaming and Racing) derives an historical legacy for its regulatory remit from its responsibilities for the leisure-related activities of horse racing (amongst others) and liquor. Given the complexities of contemporary gambling activities – including the many, varied and cross-border types of gambling, the increasingly more technical nature of gambling and the vast economic emphasis on gambling revenue – even at a superficial level, it is difficult to see that a regulatory unit that has an historical focus on regulation of racing and liquor might have the depth, aptitude or capacity to cope with the complexities of gambling. What's worse, siting this regulatory unit in a Department of Arts, Sport and Recreation might be understood to offer even less hope for a better aptitude or capacity, especially when the public health dimensions of gambling are considered. The NSW differences with other jurisdictions are telling.

- *Multiple gambling frames*

The study identified the existence of multiple frames about gambling among the co-researchers, and the significance they gave to the public health frame is taken to be an important outcome of the research. Even though gambling research in Australia had been claimed to have adopted a public health approach (McMillen & Wenzel, 2006), and while that rhetoric appears to persist in NSW gambling policy and administration, the study has found that there is more the *perception* of the public health approach than the practical implementation of it in New South Wales. At least in the views of co-researchers, the study has pointed to weak (if any) support for the suggestion that the public health approach is practised in New South Wales. Certainly, gambling management in the State does not accord with the thrust of the public health strategies and key actions articulated by Korn and Shaffer (1999). Also, the NSW approach is markedly dissimilar to those other jurisdictions where the public health approach is either claimed or in evidence (such as Queensland, South Australia, Tasmania, New Zealand and Canada).

Additionally, a significance of this research outcome is that the identification of multiple gambling frames, among stakeholders, can point to opportunities for further study into stakeholder participation and engagement. The discovery of similarities and connections among stakeholders' frames is understood to offer avenues for more productive and sustaining stakeholder engagement. At a base level, the study did identify wide-ranging dissatisfaction among co-researchers about gambling management in the State, and this is taken to justify the need for, or perhaps even an environment for, change at policy and administration levels.

A broader implication of adopting the public health model is that, with access to a range of management strategies as proposed by Korn and Shaffer (1999), different forms of gambling may call for individualised management action plans. For example, softer forms of gambling (alluded to in Section 2.2) which can be understood to carry lower risk of harm and weaker social costs may require a more tolerant management strategy than harder forms. Poker machines are taken to fall within the category of hard forms of gambling, thus drawing attention to a need for stringent management plans. Even so, New South Wales represents an environment that approaches the blanket acceptance of a comprehensive range of the various forms of gambling. A useful early step in a more authentic approach to the public health paradigm would be to develop more individualised gambling management programs that are relevant to the forms of gambling under consideration.

Furthermore, recognising that stakeholders view gambling through many different frames, it can be supposed that the characteristics of stakeholders may influence the frames they prefer. For example, the literature accepts that the prevalence and impact of gambling varies among people of different ethnic backgrounds (Delfabbro, 2008), and that literature gives prominence to issues such as problem gamblers' willingness to access counselling programs (2008, p. 44). With recognition that such gamblers can be supposed to view gambling with a culturally-determined combination of the multiple gambling frames, the suggestion is that an understanding of the frames could provide insight into appropriate gambling management and treatment strategies that might be

understood to be more acceptable for those combinations of frames and, therefore, members of those ethnic communities.

In addition, because of the significant variations in the sizes and other characteristics of registered clubs across New South Wales, and given the variations in clubs' reliance on gambling revenue (IPART, 2007; 2008), there would appear to be grounds for developing a range of gambling policy and management principles that are more targeted to the size and other characteristics of clubs. This draws attention to the possibility of an alternative stakeholder network structure and perhaps different peak body arrangements; in both cases, ones that make allowance for categories of clubs based on size.

- *Intervention of an Interloper*

The research has identified the capacity for an Interloper to intervene in the existing stakeholder network dynamic around gambling in clubs, and the analysis in Chapter 7 discussed some contemporary circumstances which might be understood to support the notion of an intervention. Derived from the critical understanding of multiple stakeholder networks (explained in Chapter 3), the manner in which the intervention could occur and the theoretical basis for it are taken to represent an important contribution of study.

Whether or not the NSW or Federal Health Departments are motivated to intervene as suggested, the proposition can be seen to offer an insight for the current regulatory regime. This is because, in opposing any possible intervention, the government department now responsible for policy and administration may be inclined to adopt counter strategies which would be designed to thwart any intervention of the type identified.

### ***8.2.2 Social responsibility and stakeholder engagement***

The discussion in Chapter 3 proposed that government had the capacity to play an influential role in the practice of CSR, and the study is claimed to have found support for this proposition. Even though the government took a sidelined position in the stakeholder network, it still exerted a primary influence in the network, not simply as regulator, but more so for its strategic exercise of its position. Examples of this were shown by the government's articulation of the terms of reference for the 2007 IPART review of the sector, its network alliance with the club peak bodies and its move to convene the select Club Industry Working Group.

Thus, the practice of social responsibility can be seen to involve not only consideration of engagement and interactions among stakeholders in the network, but also understandings of broader issues in the political, economic, social and technological environments. This notion is not new (Carroll & Buchholtz, 2009, p. 87), but the research has drawn attention to the importance of also including sector-level meso environmental influences, which can be taken to extend the Carroll & Buchholtz construction. While it might be assumed that sectoral peak body organisations would normally be expected to favour the perspectives of the clubs in the sector, the study offers evidence that could challenge this assumption. There was found to be scope for the contention that, given their positions in the stakeholder network arrangements, the clubs peak bodies may be at risk of skewing their attitudes in the stakeholder networks, in ways that prefer their own organisational objectives in preference to those of clubs. Of significance here are the peak bodies' apparently privileged associations with government. The study suggests that the influence of the peak bodies in the stakeholder networks is so strong that the community-based stakeholders can be taken to have little scope to impact.

What's more, the research can claim to point to a conceptual basis for this construction.

- As discussed in Section 3.5.1, Zadek (2004) contemplated four stages of issue maturity in society, when "society as a whole" (Zadek, 2005, p. 18) learns and

changes its approach to dealing with issues. On the Zadek model, NSW society might currently be taken to be at the “emerging” stage in its approach to problem gambling; this is because there is some awareness of the issue, there is an emerging body of research and leading clubs have experimented with approaches.

- Also at Section 3.5.1, Draper (2006) proposed five models for an industry-wide approach to CSR. In view of the political context of poker machine gambling in NSW (as discussed in Section 2.10), there was taken to be little (or no) evidence of the Vision Model in the State currently. Also, there was nothing in the data to suggest any closer association with the Vision Model than foreshadowed in Section 3.5.1. This would therefore appear to allow for only modest capacity for industry-wide change in clubs’ responsibility for problem gambling.
- As discussed at Section 3.4.3, Zadek (2004) also proposed various developmental stages of organisational learning about CSR. On this basis, NSW clubs might be understood to be at the mid-range “Managerial” stage (“It’s the business, stupid”), where responsible business practices for problem gambling are integrated into daily operations, but not beyond that.

A synthesis of these assessments of the literature is claimed to enable a more thorough understanding of the contemporary practice of social responsibility in clubs. On this basis, it can be suggested that three factors all conspire to impede the possibility of any stakeholder attempts at collaborative learning about clubs’ social responsibility for problem gambling. These factors are (i) prevailing societal perspectives, (ii) the characteristics of the club sector and (iii) contemporary business practices in clubs. However, the critical research agenda for challenging prevailing mindsets can be seen to allow some capacity for change, and this was discussed in Sections 7.5.5 and 7.6.5.

### Stakeholder attitudes

The research has drawn attention to the politicised nature of the stakeholder view of the firm. Thus, the practice of a stakeholder approach to social responsibility can be understood to offer scope for antagonism; and social responsibility can therefore be seen

to involve consideration of antagonistic attitudes among stakeholders. For a corporation to exhibit socially responsible attitudes in that climate, some of the network stakeholders may need to access the type of activist engagement strategies proposed by Utting (2005a). Moreover, just those types of antagonistic attitudes can be understood to provide evidence for the existence of the kind of critically-inspired community-wide multi-stakeholder networks proposed in Section 3.4.2. The antagonistic attitudes might well represent a compelling impediment to productive stakeholder engagement across the stakeholder network, but the very existence of those attitudes can be taken to indicate the presence of stakeholder connections. Those connections are taken to evidence the existence of the network arrangements, thus supporting the conceptual arguments for the multi-stakeholder networks proposed in Chapter 3.

### ***8.2.3 Stakeholder engagement and the learning history methodology***

The research revealed two apparently separate sub-network stakeholder arrangements which, although the club stakeholders were common to both arrangements, did not show evidence of wider stakeholder engagement across those separate arrangements. Thus, it can be taken that network structures have the capacity to form into more complex arrangements of sub-networks that might be built upon similarities in the stakeholders' perspectives. Strategically, before any blocks or deadlocks in the sector can be unsettled, it may be necessary to undertake a *learning history* participative process at the level of the sub-networks, before attempting to engage more broadly across the sector.

The methodological contribution of the study is represented by this recognition that, while the co-researchers' engagement and interactions were not sustainable in this investigation of the social responsibility of clubs for problem gambling, the research findings can support a general attitude to participative approaches. Participation should be staged with some strategic attention to the perspectives of the stakeholders, however. This type of approach, with attention to alliances or similarities in the stakeholders' perspectives, can be seen to offer better scope for more productive engagements, and this

type of strategic approach to stakeholder participation is consistent with the suggested intervention of an interloper into the stakeholder network.

Presumably, any stakeholder would have access to these engagement strategies and, in the case of gambling in clubs, this could be represented by stakeholders whose focus is either the social costs or social benefits of gambling. In this way, there can be scope for “control” of the network structure to be taken away from the focal organisation, in this case clubs. In those circumstances, the influence which any such sub-network might bring to the wider stakeholder network – including its influence on clubs – might be seen to advance its position towards the capacity to call for corporate accountability in which clubs might be pressured to account to those stakeholders for the clubs’ practice of social responsibility. In that the literature has suggested that “corporate accountability”, through stakeholder influence, is perhaps a more enlightened approach to the effective practice of corporate social responsibility (Utting, 2005a; 2005b), the study is claimed to offer support for this proposition.

These reflections about the outcomes and impacts of the research offer some insights into the effectiveness of an adaptation of the *learning history* approach for the purpose of inter-organisational learning about social responsibility. Thus, with acknowledgements to the *learning history* approach, and given the outcomes of the study, the design of a reformulated “*stakeholder learning project*” might be claimed to take the form outlined in Table 8.1.

	<b>Stakeholder Learning Project</b>	<b>Researcher Activity</b>
1.	With reference to the issue of relevance to the corporation’s social responsibility, first scope out the stakeholder territory, to identify those organisations that might be considered stakeholders in the network.	The scoping study would draw on secondary research of literature, web sites and media sources.
2.	Recruit a selection of participants from a sample of the stakeholder organisations, to determine their perspectives on the issue.	Use interviews of the participants to uncover their perspectives and network alliances, and any sub-network arrangements.



3.	Sub-network participants engage in a dissemination forum.	Develop separate discussion documents to record the “jointly-told tale” of the stakeholder perspectives from the different sub-networks.
4.	Participants attend separate sub-network forums to nominate the change that appears required in the broader stakeholder network in order to facilitate the corporation’s social responsibility.	Convene separate forums for sub-networks and record the perspectives for change.
5.	Distribute the multi-perspective discussion document to all participants across the full stakeholder network.	Develop multi-perspective discussion document from the various sub-networks’ perspectives for change.
6.	All participants engage in a combined dissemination forum.	Convene a multi-perspective forum for all participants, and monitor learning across the full stakeholder network.
7.	Participants subsequently engage and interact, as they determine, either within the sub-networks or across the full stakeholder network.	Monitor participants’ on-going engagement practices, and the participants’ learning either at the sub-network level or across the full stakeholder network.

**Table 8.1 Design of the inter-organisational “stakeholder learning project”**  
(Adapting Kleiner & Roth, 1997; 2000; Peers, 2002)

This formulation of this type of inter-organisational *learning history* approach would appear to present an opportunity for future research.

### **8.3 Response to the research question**

The research question was introduced in Section 1.3, and the thesis has drawn specific attention to it, in order to focus the discussion of the research methodology and methods (in Chapter 4) and to direct the analysis and interpretations of the research findings (in Chapter 7). The research question is this:

In what circumstances can structured stakeholder interaction around the various perspectives on the issue of problem gambling in NSW registered clubs offer an environment in which clubs (or any of the other stakeholders) might act or engage differently, so as to lead to a socially responsible approach to the management of poker machine gambling in clubs?

Here, this discussion articulates the study's response to the research question. In answer, the research has found two circumstances in which clubs or stakeholders might act or engage differently in addressing clubs' social responsibility for problem gambling:

1. Sub-network arrangements within the broader stakeholder network might be used as a platform from which to stimulate sub-networking stakeholder participation. The study was able to identify two separate sub-networks: one concentrated on the social costs and the other on the social benefits of gambling in clubs. Stakeholder engagement and interactions at this sub-networking level would appear to offer an opportunity for the kind of multi-stakeholder engagement that was contemplated by the research question. Table 8.1 is claimed to provide a process for the implementation of the strategic use of sub-network arrangements, and this would appear to present an opportunity for future research.
  
2. The intervention of an interloper into the stakeholder network represents the second way in which engagements in the network might address social responsibility of clubs. While the contemplation of an outsider, not already part of the stakeholder network, is not strictly within the contemplation of the "clubs or any other stakeholders" as fixed by the research question, the intervention of the interloper constitutes a conclusion that has the potential to offer useful insights for existing stakeholders in the sector. While the research question's contemplation of "clubs or any other stakeholders" could be seen to point to an unnecessary limitation in the question, it could perhaps have more usefully contemplated engagement of, more simply, "clubs or others". Framed in this way, the research question could more obviously have accommodated the interloper.

#### **8.4 Reflections on changes in the discipline field of investigation**

The study drew attention to the possibility of, and co-researchers' ideas about, changes in the area of gambling in clubs. The following reflections site these potential changes in a contemporary context.

- Government attitude to problem gambling

The research has pointed to the significant influence in the stakeholder dynamic of the NSW government department which is responsible for gambling policy and administration. At the same time, the government's perspectives were found to show attitudes of befuddlement. To some extent, this was discovered to be sourced to a "gamekeeper and poacher" dichotomy which recognised government's conflicting interests. On the one hand, as the recipient of gambling taxes, government is better served by freeing gamblers' access to poker machines. On the other hand, though, with its community service remit to manage problem gambling, government's interests would be served by reducing the incidence of gambling and, therefore, problems associated with that. Against this background, then, the study's contemplation of an interloper from government (in the form of either the NSW or Federal Health Departments) was seen to offer some scope for a governmental resolution to the co-researchers' perceived difficulties in the stakeholder network.

In addition to this, though, governmental influences – whether State or Federal, and whether under the auspices of a Health Department or not – can be understood to exhibit more sophisticated ideological complexities. In Australia's governmental landscape, attention has been drawn to indications of preferences for a type of neo-liberal, pro-business economic rationalism (Pusey, 1991; Paul, 1999; March, Meagher & Wilson, 2005); and coupled with this is evidence of selective government "defunding to weaken ... community and public advocacy organisations" (Pusey, 2003, p. 164). This might be taken to suggest that reform in NSW poker machine gambling might not be simply achieved by substitution of the government department responsible. After all, governments across Australia can be supposed to take on attributes of the same neo-liberal ideologies, albeit to different degrees perhaps.

However, the 2007 Australian Federal election could be understood to offer the possibility of a catalytic influence for change in governmental attitudes to poker machine gambling. According to Wall (2008):

On 1 July [2008], the most successful independent [politician] in recent political history (and one of the most successful of all time), Nick Xenophon, will take up his Senate seat ... he will share the balance of power.

Until recently, Xenophon was a one-issue politician ... And that issue is his opposition to, some may say obsession about, poker machines.

When he gets to Canberra he will find he is tilling in fertile soil. Tim Costello [another prominent anti-gambling campaigner] has been lobbying Kevin 07 [the newly elected Australian Prime Minister, Kevin Rudd] over the issue, and he has been getting an encouraging response. The Nationals' Barnaby Joyce has climbed on the bandwagon.

Federal intervention to reduce poker machine numbers, and the social impact of gambling on poker machines, is inevitable, and sooner rather than later.

Similar sentiments were repeated later in the same independent online magazine (Farmer, 2008):

Prime Minister Kevin Rudd is not waiting until [1 July 2008] to give a warm welcome to the Senator [Xenophon] whose vote will be vital if Labor is to get its legislation through a chamber where it does not have a majority. The PM is trying to ingratiate himself already by ordering an inquiry ... into ways of curbing problem gambling ... Senator Nick is sure to approve.

The suggestion, here, is that there appears scope to view the new Federal government, elected to office in November 2007, as having potential to engage in some form of reform in relation to poker machines and problem gambling. Recent evidence for this can be taken from the 3 July announcement of a Federally instigated review of the 1999 Productivity Commission report into Australia's gambling industries (COAG, 2008a).

- *Independent Gambling Body*

In New South Wales, the Office of Liquor, Gaming and Racing has responsibility for gambling policy, management and administration and, as an arm of government, it cannot be considered truly independent, at least because of its “gamekeeper and poacher” dichotomy. By contrast, the South Australian “Independent Gambling Authority” is a gambling regulator in that State. It is a government instrumentality, and reports to the SA

Minister for Gambling (*Independent Gambling Authority Act 1995*, Government of South Australia, 2008). While the Authority's enabling Act lists its functions as reducing the incidence of problem gambling (sec. 11(1)(a)), in performing those functions, the Authority must have regard to:

... the maintenance of an economically viable and socially responsible gambling industry (including an economically viable and socially responsible club and hotel gaming machine industry) (sec. 11(2a)(b)).

This would appear to suggest that the Authority can be understood to have some allegiance to the sustainability of the poker machine "industry" in clubs and pubs, if not allegiances also to the Minister and the South Australian government. Accordingly, the activities of the Authority may be understood to be not entirely *independent*.

At a Federal level, the Council of Australian Governments – consisting of the Prime Minister, and State and Territory Premiers and Treasurers – continues "to discuss issues related to problem gambling" (Council of Australian Governments, 2008,). With its clear links to government, however, the Council also might not be considered truly independent, especially in view of the dichotomous governmental perspectives on, and interests in, gambling.

Thus, there is no genuinely independent gambling body in Australia; although there is a claim to one in South Australia. Perhaps because of the economic reach of the broad spectrum of gambling operators, there appears to be little scope for such a body to act independently of either government or the gambling operators; and there is also little indication from any Australian government to establish one.

In a related way, a Gambling Summit was proposed by two of the co-researchers; one of whom was motivated to the suggestion by his view of the success of an earlier drugs summit. In something of a fall-back position to the proposal for an independent gambling body, a gambling summit has been proposed more recently by the community-based "consumer" group Gambling Impact Society (NSW) as part of its submission on

the IPART (2007) review (Gambling Impact Society, 2008). Given the stance taken by a number of Australian governments to the notion of an independent gambling body, a summit could perhaps be taken to provide better possibility for a monitoring mechanism on gambling.

- *Gambling research*

Each of the State government departments responsible for gambling policy and administration has a record of conducting and commissioning gambling-related research. In addition, Gambling Research Australia (GRA) is an initiative of the Ministerial Council on Gambling, which reports to the already-mentioned Council of Australian Governments (Gambling Research Australia, 2007). The Ministerial Council is constituted by the State and Territory Ministers responsible for gambling in each jurisdiction. GRA maintains a comprehensive, Australia-wide gambling research database and is also engaged in commissioning research. When calling for tenders for research funding, the GRA has excluded “Delivery of direct jurisdictional policy advice, e.g. recommendations to specific Governments to change policy or adopt a policy position” (Gambling Research Australia, 2008). This type of exclusion can be understood to indicate that policy matters are considered to be so settled that GRA-funded research is not accepted to be within the scope of policy change. In addition to this, other stakeholders in the NSW gambling industries are prone to conduct or commission their own research activities. For example, one of the club sector peak body organisations conducted research that was used in its submission response to the IPART (2007) Issues Paper.

Furthermore, a National Association for Gambling Studies, based in Victoria, consists of “industry, treatment agencies, academics, regulators and gamblers” (National Association for Gambling Studies, 2008). As a professional body, the Association can perhaps be understood to be a receptacle for gambling research, rather than an initiator of research.

Therefore, it can be taken that a substantial amount of Australian gambling research could suffer the appearance of a connection with one or other of the prominent perspectives on gambling, whether that is a government or other stakeholder perspective. This would appear to call attention to issues of bias and partiality in the conduct of research.

- *Gambling rhetoric and the media*

The thesis Foreword can be seen to exemplify some prevailing societal attitudes to gambling in clubs. First, there seems to be an acceptance that clubs may be so determined to maintain their reliance on poker machine income that they should be permitted to implement strategies to keep patrons gambling in continuous sessions, even when gamblers may suffer an addiction. Secondly, there appears a similar acceptance that it is permissible for clubs to derive a significant proportion of their income from gambling. However, what is perhaps most telling about the newspaper article (see thesis Foreword: Bartok, 2007) is that it does not question or challenge the morality or propriety of these attitudes. In this way, media treatment of gambling issues can be seen to so accept current conditions of gambling in the New South Wales community that this type of media treatment can be understood to be benign, albeit supporting of and perpetuating those current conditions.

In addition, there are media examples of published “opinion” about gambling, whether projected as opinion or disguised as “fact”. One example of this is the Holmes a Court (2007) opinion article about poker machines as “a curse we can well do without”. Even though the author did not claim any particular knowledge or expertise in the management of gambling or poker machines, the author’s opposition to poker machines in clubs was clear.

In a similar way, but projecting the opposite perspective, one of the club sector peak bodies published a media release (Clubs NSW, 2007) announcing, presumably as a “fact”, that a newly release prevalence study had proved that the level of problem gambling in

New South Wales had fallen. However, when the study was tabled in the NSW Parliament, the Minister was not moved to comment on any trends in problem gambling in the same way (NSW Legislative Assembly Hansard, 2007). Accordingly, the peak body's construction of the prevalence study does not appear to be supportable. Nonetheless, with its clear association to the gambling industry, the media release might have been taken by some in the community to offer an "expert" opinion.

This understanding of media treatment of gambling issues appears to support the study's findings of clear differences between co-researchers in their perspectives of clubs' social responsibility for gambling. Apparently in the media, too, there appears no adjudication or accountability for the different perspectives taken. This type of manipulative articulation of information – or the "dissemination of (dis)information" – according to one's perspectives would appear to have ideological connections with the notion of "greenwash", discussed in Chapter 3. Although greenwash was identified in the context of environmental issues, some of the media discussion about gambling can be taken to represent a strategy of the "business elites" to deflect, divert and perhaps even reframe community discourses, just as greenwash does. However, this type of "gambling greenwash" appears in media representations about the gambling industries.

Currently in New South Wales, there appears to be no mechanism for commentators or critics to assume responsibility, or to account, for the veracity of their published views about gambling. Perhaps this can be seen to indicate a community-wide acceptance of multiple perspectives about gambling; something that was revealed in this study. Also, it can be assumed that, with stakeholders' determination to pursue their perspectives, those who have access to the media therefore have the capacity to project their perspectives publicly, regardless of the degree to which those views might be proved to be supportable. In such cases, it can be understood that the superior resources of the "business elites" (Utting, 2005a), consisting of gambling operators and government, would therefore have better capacity to publicly project their perspectives; and thus engage in "gambling greenwash".



From a critical stance, this would seem to call attention to the need to subject media commentary and criticism to some type of objective and knowledgeable review, in ways that not only challenge gambling greenwash but also call the disseminators of such (dis)information to account. Currently, in NSW, there is no mechanism for this.

Moreover, gambling greenwash has the potential to contribute to a scepticism or complacency in the community about what is reported in the media about gambling, and this could perhaps be argued to explain the tenor of acceptance and perceived resignation in the newspaper article reproduced as the Foreword of the thesis (Bartok, 2007). Such complexities about gambling coupled with the capacity for promulgating blatantly biased information through the media offer support for the need for a genuinely independent gambling body in Australia.

### **8.5 Reflections on the criticalist approach to management research**

Attributes of the research design can claim to have been honest to the constructivist nature of the study's critical project. Notably, both the research participants and myself were positioned as *co-researchers*, in a strategy that was designed to allow otherwise marginalised voices to be heard (Alvesson & Deetz, 2005). This was especially the case for the *co-researchers* from the counselling services. Interestingly, too, the research can be understood to have provided scope for the perspectives of the clubs' *co-researchers* to be heard. This is interesting because, as the commercial entities at the centre of the phenomenon under investigation, clubs should have been taken to have had the dominant voices. With the dominant influences of the government and the club sector peak bodies, however, this was found not to be the case: the clubs' perspectives were somewhat subsumed.

Currently, the magnitude of mainstream research into gambling in Australia can be seen to privilege researchers as receptacles of knowledge. Thus, those in the community – gamblers and other stakeholders – seem to have been positioned as passive subjects of the research. This draws attention to the Kincheloe and McLaren (2005) proposition that

“mainstream research practices are generally, although most often unwittingly, implicated in the reproduction of systems”. Against this background, criticalist research approaches therefore provide considerable scope to allow gamblers and other stakeholders in the community to take a more purposive role in the design and conduct of gambling research agendas, by giving voice to their perspectives and attitudes. This study can claim to have done that.

Similarly, the study’s attention to reflection, particularly in the analysis of the data and in the articulation of its conclusions, supports the Grey & Willmott (2005) assertion about the importance of reflexivity in critical studies. Such reflective practices, especially when grounded in the research design, can claim an allegiance to the criticalist project in ways that could perhaps be understood to set up a methodological approach for critical management research. This focus on methodology would perhaps need to involve a structured mechanism to pay close attention to understanding and articulating the inherent assumptions in the research, as a central component in the research design.

In the specific context of this study, the critical approach to CSR and stakeholder engagement, discussed in Chapter 3, especially as proposed by the dynamic multi-networked formulation of stakeholder engagement is claimed to have enabled an investigation of stakeholder perspectives for their own ends; not as viewpoints that were susceptible to be subsumed by corporatist agendas and commercial ideologies. Indeed, even the revelation of sub-networking arrangements – and also the antagonistic attitudes of some co-researchers – can be understood to acknowledge the existence of the types of critically-inspired, multi-networked stakeholder arrangements. This understanding of a critical approach to stakeholder engagements is also claimed to proceed some way towards the type of corporate accountability proposed by Utting (2005a), discussed at 3.4.3.

## **8.6 Limitations of the research**

The research is understood to have two limitations: the first results from an aspect of its design, and the second bears on an outcome.

Firstly, my place in the research might be taken to have influenced the engagement and interactions with and among the co-researchers, and thus the outcomes of the research. With my objectives for the study and in view of the nature of my relationship with the co-researchers, I took a commanding role in the conduct of the research, and more so in its early stages. Even though I invited the co-researchers to take an active part in the research strategies, their take-up on this was weak. In retrospect, perhaps there was scope for the co-researchers to take a more purposive role in the selection and recruitment of other co-researchers. This leads to a suggestion for future research, which could be designed to invite initial co-researcher participation in ways that allow them to be involved in the selection and recruitment of others. However, a limitation of this approach is that, without an initial commitment to high levels of multi-stakeholder learning, there is the risk that the recruited participants may all constitute cohorts. That, then, would carry the risk of a cohort response to the research problem, and that would appear to offer scope for further research.

The second limitation of the research could be understood to stem from a consideration of the stakeholder perspectives that were *not* included in the study. In particular, it was not possible to recruit a gamblers' association to participate. In a study of problem gambling, that could be thought to be a significant drawback. However, while a gambler's association was approached and had agreed to participate, it subsequently failed to engage in ways that were consistent with that. An explanation for this might be found in the views expressed by two co-researchers: one of the government co-researchers and one from a counselling service drew attention to the stigma in society that is attached to those with gambling-related problems. Thus, when faced with the opportunity to engage with a range of stakeholders specifically on the topic of the stigmatised problem, prospective co-researchers from gamblers' associations could be expected to harbour some reluctance.

This could be accommodated in future research, however, by inviting gamblers' participation in a sub-network that could be understood to be less challenging. A sub-network that included co-researchers from a counselling service could provide an avenue for this.

Despite this, the absence of a gamblers' association is not taken to be a compelling limitation of the research. Figure 7.2 outlined a network structure that included those stakeholders which were not included in the study. The position of the gamblers' association in the network structure was unconnected with clubs, and this was explained in section 7.5.1 as an understandable construction because, once in a successful treatment program, problem gamblers are unlikely to have any network connection with the source of the problems. In any case, the gamblers' perspectives could perhaps be understood to have been offered by those with whom gamblers *do* have network connections; this was the counselling service organisations.

In relation to the limitations of the research, a specific note can be made about the insufficiency of the adaptation of the *learning history* approach to lead to a sustainable process of engagement among co-researchers. With reference to the research question (outlined in Section 1.3), the study was not primarily a test of the inter-organisational adaptation of the *learning history* approach. Nonetheless, even though the engagement and interactions among co-researchers could not be sustained in a way that marks a completed action research cycle, the research was able to identify the circumstances and the type of stakeholder network configurations that could be anticipated to contribute to the practice of social responsibility. Specifically, the research identified a "*stakeholder learning project*" that would appear to represent a suitable inter-organisational process for stakeholder interaction, and this was outlined and explained at Section 8.2.3.

### **8.7 Implications for future research**

Given the prevailing attitudes to the funding of gambling research (discussed at Section 8.4), there appears scope to focus on developing clearer understandings from the

community about ways of addressing problem gambling. This would involve a move away from research that focuses on gambling prevalence, and a refocus instead on the perspectives of gamblers, problem gamblers and other community stakeholders. With similar democratic attention, future research might also engage individual clubs, including both managers and directors: after all, this study highlighted significant differences between individual clubs and their peak body organisations. These suggestions raise a number of possibilities for future research:

- With concentration on community stakeholders, attention might be given to their interests in, attitudes to and inclinations for gambling management and administration. This could encompass a full range of circumstances, including access to gambling in the community, the propensity for various forms of gambling, and access to and the suitability of treatment programs. Specifically, this could include a focus on problem gamblers themselves and, with the stigma attaching to problem gambling (discussed at Section 8.6), there is capacity to develop research programs that take specific account of this. Also, some attention could be given to the perspectives of those who are indirectly affected by problem gambling (for example, family, employers and those who provide assistance).
- More specifically, future research could investigate the gambling frames preferred by such community stakeholders, thus providing openings to use these insights in order to enhance the engagement practices among stakeholders.
- Additionally, the “stakeholder learning project”, explained at Section 8.2.3, provides a clear opportunity for future research, perhaps with adaptations for co-researcher selection and recruitment, as discussed at Section 8.6.
- In view of this study’s finding about the position and attitude of the clubs peak bodies in the stakeholder networks, there would appear to be scope for research into their business management strategies and the nature of their relations with clubs.

In relation to stakeholder engagement practices, future research might investigate the nature of the relationships between stakeholders, including relationships that might be considered collaborative, and those not. This has the potential to better understand the

reasons for particular stakeholder engagement practices, so that those understandings can be employed for more targeted participatory research that pursue a critical project.

In addition, there is capacity to consider future research programs as extensions of the prevailing methodological and epistemological approaches of current gambling research programs.

- Methodologically, there is the possibility of more case study research, possibly to investigate the attributes and characteristics of existing stakeholder collaborations about gambling management and administration. The sub-networks identified in Section 7.5 would perhaps provide a basis for this. While connections might be made with the activist notions of engagement proposed by Utting (2005a) and discussed at Section 3.4.4, a clear extension of the current study would be a case study into the nature and characteristics of the alliance between Club 2 and Counselling Service 1. Such research could consider any attributes that might be capable of replicating not only in gambling stakeholder networks, but also in other corporate network arrangements.
- Epistemologically, there is scope in the gambling and stakeholder engagement areas for research programs that acknowledge the researcher's place in the stakeholder network dynamic. In addition, especially in the case of stakeholders' connections with corporations, future research could engage critical research frameworks, to investigate the manner in which corporations are often accorded privilege in their business activities and CSR practices (following the discussion at Section 3.4.2). There is also scope to explore the nature of corporate greenwash rhetoric about CSR, and this would appear to call for a critical perspective.

## **8.8 Thesis conclusion**

Marked by an interest in engagement among corporate stakeholders, this study was founded on a belief about the value and worth of interaction among people as a way of uncovering appropriate responses to a corporate issue involving many. In another way, the study can be understood to have proposed a method for addressing the dilemma of business-in-society. The method rejects any mechanist regulation of corporations that requires from them specific pre-determined actions of social involvement or, worse, payments in substitution for that. After all, that type of regimented “command and control” approach to corporate involvement in society then enables scholars to suggest that just those very mechanistic requirements point to an inherent flaw in CSR (Banerjee, 2005). Methodologically, the study presumed that engagement and interaction might provide corporations with an impetus for addressing its dilemma.

At its most basic level, the foundational philosophical underpinning of the study is the belief that dealing with the dilemma of business-in-society really only requires of corporations just what we expect of ourselves and others. As individuals we are subject to some degree of legalistic “command and control”, sure. But in addition to that, we each of us, as socialised beings, engage in our own individual ways with those around us to explore opportunities in which we can fit ourselves into our communities and into our stakeholder networks: into society. To do that, we usually look for situations and collaborators that accord with our individual sensibilities, moods and temperaments, as well as with our changeable economic and other circumstances at any time.

In effect, the study proposed that the same approach might be adopted by corporations in dealing with their dilemma of *business-in-society*. So, we might expect corporations to act morally and socially as we do. They, too, might in their own individual ways engage with those around them to explore opportunities in which they can fit themselves into their communities and into their stakeholder networks: and importantly, that is in the same society that we as human beings inhabit. And to do that, corporations too may need to look for situations and collaborators that accord with *their* individual sensibilities and

with *their* moods and temperaments, as well as with their own changeable economic and other circumstances.

There is an impediment to this, however. Literature from the critical perspective draws attention to some of society's taken-for-granted beliefs about corporations. We are therefore alert to notions that privilege corporations. Nonetheless, we still hear that "the business of business is business". So, from otherwise compelling sources, even, we are asked to imagine that business is due special treatment: at least, that business need not operate in society as we humans do (Solomon, 2004). In that case, is it incumbent upon us who are uncomfortable with the privilege accorded corporations to work with them and to invite them – perhaps in ways that seem to us appropriate to the circumstances – to fit into our society with us. We might do this in our capacities as stakeholders.

Just as we as human beings encounter errant individuals in society with whom engagement is problematic for us, so too can we expect to encounter errant corporations with likewise problematic engagements. Perhaps we should not expect corporations to be any more socially responsible than we are, or as are others in our society. But we are perhaps drawn to that perception because of the commanding wealth of corporations, and the inherent privilege they are often (uncritically) accorded.

In an alternative way of understanding corporations and their place in society, perhaps we would be right to ask of corporations only what we ask of ourselves and others like us. If that can be the case, perhaps what we mean to study is the *socialisation of corporations*. In these circumstances, by giving attention to ways in which stakeholders can be empowered to call corporations to account for corporate behaviour, we might expect corporations to be more sensitive to an egalitarian ethic in our society, where corporations are acknowledged to have no better rights than the rest of us.



## LIST OF REFERENCES

---

- ACNielsen (2007) *Prevalence of Gambling and Problem Gambling in NSW – A Community Survey 2006*, NSW Office of Liquor, Gaming and Racing, Department of the Arts, Sport and Recreation
- Alvesson, M & Deetz, S (2000) *Doing Critical Management Research*, Sage Publications, London
- Alvesson, M & Deetz, S (2005) “Critical Theory and Postmodernism: Approaches to Organization Studies” in C Grey & H Willmott, *Critical Management Studies: A Reader*, Oxford University Press Oxford
- Alvesson, M & Skoldberg, K (2000) *Reflexive Methodology: New Vistas for Qualitative Research*, Sage Publications, London
- Anderson, H & Landau, I (2006) “Corporate Social Responsibility in Australia: A Review”, Working Paper No 4, October, *Corporate Law and Accountability Research Group*, Monash University
- Angen, MJ (2000) “Pearls, Pith, and Provocation: Evaluating Interpretative Inquiry: Reviewing the Validity Debate and Opening the Dialogue”, *Qualitative Health Research*, vol. 10, no. 3, pp. 378-395
- Australian Gaming Council (2002) *A Database of Australia’s Gambling Industries*, Melbourne, AGC
- Australian Institute for Gambling Research (2001) *ACT Needs Analysis*, Australian Capital Territory Gambling and Racing Commission, Canberra

- Australian Government (2007) *National Statement on Ethical Conduct in Human Research*, Canberra
- Australian Government (2007a) “First NT Emergency Response Taskforce Meeting”, *Media Release*, accessed 10 June 2008, from [http://www.facsia.gov.au/internet/minister3.nsf/content/first\\_nt\\_emergency\\_response\\_taskforce\\_meeting.htm](http://www.facsia.gov.au/internet/minister3.nsf/content/first_nt_emergency_response_taskforce_meeting.htm)
- Australian Medical Association (1999) *Health Effects of Problem Gambling: Position Statement*, accessed 3 June 2007, from [http://www.ama.com.au/web.nsf/doc/SHED-5G7CKQ/\\$file/healths\\_gd\\_ps\\_health%20effects%20prob%20gambling.pdf](http://www.ama.com.au/web.nsf/doc/SHED-5G7CKQ/$file/healths_gd_ps_health%20effects%20prob%20gambling.pdf)
- Banerjee, SB (2005) “Corporate Social Responsibility: The Good, the Bad and the Ugly”, paper presented to the *Asia-Pacific Researchers in Organization Studies*, 11<sup>th</sup> International Colloquium, Melbourne Australia, 4-7 December
- Banerjee, SB (2007) *Corporate Social Responsibility: The Good, the Bad and the Ugly*, Edward Elgar, Cheltenham, UK
- Banks, G (2002) *The Productivity Commission’s Gambling Inquiry: 3 Years on*, Presentation to the 12<sup>th</sup> Annual Conference of the National Association for Gambling Studies, Melbourne, 21 November
- Bartok, D (2007) “Breaking the Habit”, *Parramatta Advertiser*, 20 June, p. 5
- Batten, JA & Birch, D (2005) “Defining Corporate Citizenship: Evidence from Australia”, *Asia Pacific Business Review*, vol. 11, no. 3, pp. 293-308
- Baum, T (2006) *Human Resource Management for Tourism, Hospitality and Leisure: AN International Perspective*, Thomson Learning, London

- Bendell, J (2000) *Terms for Endearment: Business, NGOs and Sustainable Development*, Greenleaf Publishing, Sheffield
- Bendell, J (2005) "In Whose Name? The Accountability of Corporate Social Responsibility", *Development in Practice*, vol. 15, no. 3 & 4, pp. 362-374
- Birch, D (2005) "Editorial", *The Journal of Corporate Citizenship*, vol. 19, autumn, pp. 3-4
- Borg, C & Mayo, P (2000) "Reflections from a 'Third Age' Marriage: Paulo Freire's Pedagogy of Reason, Hope and Passion", *McGill Journal of Education*, vol. 35, no. 2, pp. 105-120
- Bradbury, H (1998) "Learning with *The Natural Step*: cooperative ecological inquiry through cases, theory and practice for sustainable development", PhD dissertation, Boston College, Ann Arbor, MI, *ProQuest Dissertations and Theses*, UMI no. 9901365
- Bradbury, H (2001) "Learning with *The Natural Step*: Action Research to Promote Conversations for Sustainable Development", in P Reason & H Bradbury (eds) *Handbook of Action Research*, Sage Publications, London, pp. 307-313
- Bradbury, H & Lichtenstein, BMB (2000) "Relationality in Organizational Research: Exploring *The Space Between*, *Organizational Science*, vol. 11, no. 5, pp. 551-564
- Bradbury, H & Mainemelis, C (2001) "Learning History and Organizational Praxis", *Journal of Management Inquiry*, vol. 10, no. 4, pp. 340-357
- Bradbury, H. & Reason, P. (2001) "Conclusion: Broadening the Bandwidth of Validity: Issues and Choice Points for Improving the Quality of Action Research", in P

- Reason & H Bradbury (eds) *Handbook of Action Research*, Sage Publications, London, pp. 447-455
- Bronn, PS & Vrioni, AB (2001) "Corporate Social Responsibility and Cause-Related Marketing: An Overview", *International Journal of Advertising*, vol. 20, no. 2, pp. 207-222
- Brydon-Miller, M Greenwood, D & Maguire, P (2003) "Why Action Research?" *Action Research*, vol. 1, no. 1, pp. 9-28
- Caldwell, GT (1972) *Leisure Co-operatives: The Institutionalisation of Gambling and the Growth of Large Leisure Organisations in New South Wales*, unpublished doctoral thesis, Australian National University, Canberra.
- Calton, JM & Payne, SL (2003) "Coping with Paradox: Multistakeholder Learning Dialogue as a Pluralist Sensemaking Process for Addressing Messy Problems", *Business and Society*, vol. 42, no. 1, pp. 7-42
- Carroll, AB (1991) "The Pyramid of Corporate Social Responsibility: Toward the Moral Management of Organizational Stakeholders", *Business Horizons*, July-August, pp. 39-48
- Carroll, AB & Buchholtz, AK (2006) *Business & Society: Ethics and Stakeholder Management*, 6<sup>th</sup> edn, Thomson South-Western, Mason, Ohio
- Carroll, AB & Buchholtz, AK (2009) *Business & Society: Ethics and Stakeholder Management*, 7<sup>th</sup> edn, Cengage Learning, Mason, Ohio
- Cavana, RY, Delahaye, BL & Sekaran, U (2001) *Applied Business Research: Qualitative and Quantitative Methods*, John Wiley & Sons, Milton, Queensland

CCH Australia Limited (2005) *Australian Master Tax Guide*, CCH, North Ryde

CCH Australia Limited (2004) *Australian Corporations Law Guide*, CCH, North Ryde

Checkland, P & Scholes, J (1999) *Soft Systems Methodology in Action*, John Wiley & Sons, Chichester, England

Ciulla, JB, Martin, CW & Solomon, RC (2007) *Honest Work: A Business Ethics Reader*, Oxford University Press, New York

Clarkson, MBE (1995) "A Stakeholder Framework for Analysing and Evaluating Corporate Social Performance", *Academy of Management Review*, vol. 20, no. 1, pp. 92-117

Clegg, SR, Rhodes, C & Kornberfer, M (2007) "Desperately Seeking Legitimacy: Organizational Identity and Emerging Industries", *Organizational Studies*, vol. 28, no. 4, pp. 495-513

Clubs NSW (2007) "Clubs Welcome Gambling Study", *Media Release*, 30 May 2007, accessed 1 June 2007 from [http://www.clubsnsw.com.au/AM/Template.cfm?Section=Media\\_Releases\\_2007&Template=/CM/ContentDisplay.cfm&ContentID=5682](http://www.clubsnsw.com.au/AM/Template.cfm?Section=Media_Releases_2007&Template=/CM/ContentDisplay.cfm&ContentID=5682)

Clubs NSW (2007a) "Home", accessed 16 June 2007 from [http://www.clubsnsw.com.au/AM/ContentManagerNet/HTMLDisplay.aspx?ContentID=12087&Section=About\\_Us1](http://www.clubsnsw.com.au/AM/ContentManagerNet/HTMLDisplay.aspx?ContentID=12087&Section=About_Us1)

Coffey, A & Atkinson, P (1996) *Making Sense of Qualitative Data: Complementary Research Strategies*, Sage Publications, Thousand Oaks, California,

- Commonwealth of Australia (2006) *Corporate Responsibility: Managing Risk and Creating Value*, Report of the Parliamentary Joint Committee on Corporations and Financial Services, Commonwealth of Australia, Canberra
- Commonwealth of Australia (2007) “The Prime Minister’s Community Business Partnership”, accessed 10 June 2007 from <http://www.partnership.zip.com.au/index.shtml>
- Council of Australian Governments (COAG) (2008) Communiqué, Meeting 26 March 2008, accessed 8 June 2008 from <http://www.coag.gov.au/meetings/260308/index.htm>
- Council of Australian Governments (COAG) (2008a) Communiqué, Meeting 3 July 2008, accessed 4 July 2008 from <http://www.coag.gov.au/meetings/030708/index.htm#gambling>
- Crane, A, Matten, D & Moon, J (2004) “Stakeholders as Citizens? Rethinking Rights, Participation and Democracy”, *Journal of Business Ethics*, vol. 53, no. 1-2 , pp. 107-122
- Cronin, C (2001) “Corporate Social Responsibility in Australia: A Select Review of the Literature”, Background paper No 3, *The Smith Family Australia*. Retrieved 10 June 2007 from [http://64.233.179.104/scholar?hl=en&lr=&q=cache:7xDXqK5XKnQJ:www.smithfamily.com.au/documents/Background\\_Paper\\_3.pdf+++%22corporate+responsibility+%22+author:cronin,+author:c](http://64.233.179.104/scholar?hl=en&lr=&q=cache:7xDXqK5XKnQJ:www.smithfamily.com.au/documents/Background_Paper_3.pdf+++%22corporate+responsibility+%22+author:cronin,+author:c)
- Delfabbro, PH (2008) *Australasian Gambling Review*, 3<sup>rd</sup> edn (1992-2007), a report prepared for the Independent Gambling Authority of South Australia, IGA, Adelaide

Denzin, NK & Lincoln, YS (2005) *The Sage Handbook of Qualitative Research*, (3<sup>rd</sup> ed), Sage Publications, Thousand Oaks, California

Denzin, NK & Lincoln, YS (2005a) "Introduction: The Discipline and Practice of Qualitative Research", in NK Denzin & YS Lincoln (eds) *The Sage Handbook of Qualitative Research*, (3<sup>rd</sup> ed), Sage Publications, Thousand Oaks, California, pp. 1-32

Department of the Environment, Water, Heritage and the Arts (2007) *Integrated Water Resource Management in Australia*, accessed 2 June 2007 from <http://www.environment.gov.au/water/publications/action/case-studies/murray.html>

Department of Gaming and Racing (DGR) (2005) *Towards a Culture of Responsibility in Gambling*, Response by the NSW Government to the Reports of the Independent Pricing and Regulatory Tribunal, DGR, Sydney

Donaldson, L & Davis, JH (1991) "Stewardship Theory or Agency Theory: CEO Governance and Shareholder Returns", *Australian Journal of Management*, vol. 16. no. 1, pp. 49-64

Donaldson, T & Preston, L (1995) "The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications", *Academy of Management Review*, vol. 20, no. 1, pp. 65-91

Doughney, J (2002) *The Poker Machine State: Dilemmas in Ethics, Economics and Governance*, Common Ground Publishing, Altona, Victoria

Draper, S (2006) "Corporate Responsibility and Competitiveness at the Meso Level: Key Models for delivering Sector-Level Corporate Responsibility", *Corporate Governance*, vol. 6, no. 4, pp. 409-419

- Dunphy, D, Griffiths, A & Benn, S (2007) *Organizational Change for Corporate Sustainability*, Routledge, Abingdon, Oxon
- Economist Newspaper Ltd (2005, 22 January) “The Ethics of Business”, *The Economist*, vol. 374, no. 8410, p. 1-4. Retrieved 28 May 2006, from InfoTrac OneFile via Thomson Gale: <<http://find.galegroup.com/itx/infomark.do?&contentSet=IAC-Documents&type=retrieve&tabID=T003&prodId=AONE&docId=A127880170&source=gale&srcprod=AONE&userGroupName=uwsydney&version=1.0>>
- Economist Newspaper Ltd (2005, 5 February) “Letters to the Editor”, *The Economist*, vol. 374, no. 8412. Retrieved 28 May 2006, from Academic Source Premier: <http://web.ebscohost.com/ehost/results?vid=2&hid=103&sid=1fd19981-365a-45b9-b901-dbf5af99e5%40sessionmgr104>
- Economist Newspaper Ltd (2008, 19 January) “Just Good for Business”, *The Economist*, vol. 386, no. 8563, p. 3, retrived 17 June 2008, from Academic Source Premier: <http://web.ebscohost.com/ehost/detail?vid=3&hid=120&sid=8661da63-b407-40c1-a5de-9979283a31b6%40sessionmgr8>
- Fals Borda, O (2001) “Participatory (Action) Research in Social Theory: Origins and Challenges” in P Reason & H Bradbury (eds) *Handbook of Action Research*, Sage Publications, London, pp. 27-37.
- Farmer, R (2008) “Canberra’s New Man of Influence”, *Crikey.com*, (13 March 2008) accessed 1 June 2008 from <http://www.crikey.com.au/Politics/20080313-Richard-Farmers-political-bite-sized-meaty-chunks.html>
- Frame, B (2005) “Corporate Social Responsibility: A Challenge for the Donor Community”, *Development in Practice*, vol. 15, nos. 3 & 4, pp. 422-432



Freeman, RE (1984) *Strategic Management: A Stakeholder Approach*, Pitman Publishing Inc, Marshfield, Massachusetts

Freeman, RE & Velamuri, SR (2006) “A New Approach to CSR: Company Stakeholder Responsibility”, in A Kakabadse & M Morsing (eds) *Corporate Social Responsibility: Reconciling Aspiration with Application*, Palgrave MacMillan, Basingstoke, Hampshire, pp. 9-23

Freire, AMA & Macedo D (2000) *The Paulo Freire Reader*. Continuum, New York

Freire, P (1970) *The Pedagogy of the Oppressed* (MB Ramos, Trans), Penguin Books, London

Freire, P (1998) “Cultural Action and Conscientization”, *Harvard Educational Review*, vol. 68, no. 4, pp. 499-521

Friedman, M (1970) “The Social Responsibility of Business is to Increase its Profits”, *The New York Times Magazine*, 13 September, The New York Times Company, New York, in LP Hartman (ed.), *Perspectives in Business Ethics*, 2005, 3<sup>rd</sup> edn, McGraw-Hill Irwin, New York, pp. 280-285

Gambling Impact Society (NSW) (2008) “Consumers Call for Gambling Summit and Independent Commission in Response to IPART Reports into Clubs”, *Media Release*, 3 March 2008, accessed 5 June 2008 from [http://www.ipart.nsw.gov.au/files/Submission%20-%20Registered%20Clubs%20Review%20-%20Gambling%20Impact%20Society%20\(NSW\)%20Inc%20-%20Kate%20Roberts%20-%2031%20March%202008%20-%20APD%20-%20Website.PDF](http://www.ipart.nsw.gov.au/files/Submission%20-%20Registered%20Clubs%20Review%20-%20Gambling%20Impact%20Society%20(NSW)%20Inc%20-%20Kate%20Roberts%20-%2031%20March%202008%20-%20APD%20-%20Website.PDF)

Gambling Research Australia (2007) “Welcome to Gambling Research Australia Website and Clearinghouse”, accessed 17 June 2007 from <http://www.gambling>

research.org.au/CA256DB1001771FB/HomePage?ReadForm&1=Home~&2=~&3=~

Gambling Research Australia (2008) "Submission Based Grants System for Gambling Research 2008, Applicant Information Pack, June 2008", accessed 5 June 2008 from [http://www.gamblingresearch.org.au/CA256902000FE154/Lookup/CALDGrants/\\$file/GRAApplicant%20Information%20Pack.pdf](http://www.gamblingresearch.org.au/CA256902000FE154/Lookup/CALDGrants/$file/GRAApplicant%20Information%20Pack.pdf)

*Gaming Machine Tax Act 2001*, accessed 16 June 2007 from [http://www.austlii.edu.au/au/legis/nsw/consol\\_act/gmta2001154/](http://www.austlii.edu.au/au/legis/nsw/consol_act/gmta2001154/)

Garvey, N & Newell P (2005) "Corporate Accountability to the Poor? Assessing the Effectiveness of Community-Based Strategies", *Development in Practice*, vol. 15, Nos. 3 & 4, pp. 389-404

Golob, U & Bartlett, JL (2007) "Communicating About Corporate Social Responsibility: A Comparative Study of CSR Reporting in Australia and Slovenia", *Public Relations Review*, vol. 33, No. 1, pp. 1-9

Government of South Australia (2008) *Independent Gambling Authority Act (1995)* SA Attorney's General Department, accessed 15 June 2008, from <http://www.legislation.sa.gov.au/LZ/C/A/INDEPENDENT%20GAMBLING%20AUTHORITY%20ACT%201995/CURRENT/1995.12.UN.PDF>

Greer, J & Bruno, K (1996) *Greenwash: The Reality Behind Corporate Environmentalism*, Third World Network, Malaysia

Grey, C (2004) "Reinventing Business Schools: The Contribution of Critical Management Studies", *Academy of Management Learning and Education*, vol. 3, no. 2, pp. 178-186

- Grey, C & Willmott, H (2005) *Critical Management Studies: A Reader*, Oxford University Press, Oxford
- Hair, J, Money, A, Samouel, P & Page, M (2007) *Research Methods for Business*, John Wiley & Sons, Chichester, England
- Hartman, L (2005) *Perspectives in Business Ethics*, 3<sup>rd</sup> edn, McGraw-Hill Irwin, New York
- Henry, T (2006) *Strong Message to Gambling Operators*, Media release, New Zealand Department of Internal Affairs, accessed 1 June 2007 from <http://www.dia.govt.nz/press.nsf/d77da9b523f12931cc256ac5000d19b6/50d920cf4c344b72cc25720a0079e4d0!OpenDocument>
- Heron, J (1985) "The Role of Reflection in a Co-operative Inquiry", in D Boud, R Keogh & D Walker (eds) *Reflection: Turing Experience into Learning*, Kogan Page, London, pp. 128-138
- Heron, J. (1996) *Co-operative Inquiry: Research into the Human Condition*. Sage Publications, London
- Heron, J & Reason, P (2001) "The Practice of Co-operative Inquiry: Research 'with' Rather than 'on' People", in P Reason & H Bradbury (eds) *Handbook of Action Research*, Sage Publications, London, pp. 179-188
- Hing, N (2000) *Changing Fortunes: Past, Present and Future Perspectives on the Management of Problem Gambling by New South Wales Registered Clubs*, unpublished doctoral thesis, University of Western Sydney

- Hing, N (2003) *An Assessment of Member Awareness, Perceived Adequacy and Perceived effectiveness of Responsible gambling Strategies in Sydney Clubs*, Centre for gambling Education and Research, Southern Cross University
- Hing, N & McMillen, J (2002) “A Conceptual Framework of the Corporate Management of Social Impacts: The Case of Problem Gambling”, *Business and Society Review*, vol. 107, no. 4, pp. 457-488
- Holmes a Court, P (2007) “Poker Machines: A Curse we can Well do Without”, *The Sydney Morning Herald*, 20 September, p. 13
- Hosmer, LTR (2006) *The Ethics of Management*, 5<sup>th</sup> edn, McGraw-Hill Irwin, New York
- Hughes, M & Bourner, T (2005) “Action Learning Set Meetings: Getting Started by ‘checking in’”, *Action Learning: Research and Practice*, Vol. 2, No. 1, pp. 89-95.
- Husted, BW & de Jesus Salazar, J (2006) “Taking Friedman Seriously: Maximising Profits and Social Performance”, *Journal of Management Studies*, vol. 43, no. 1, pp. 75-91
- Independent Pricing and Regulatory Tribunal (1998) *Report to Government: Inquiry into Gaming in NSW*, November, IPART New South Wales
- Independent Pricing and Regulatory Tribunal (2004) *Gambling: Promoting a Culture of Responsibility*, Final Report, June, IPART New South Wales
- Independent Pricing and Regulatory Tribunal (2007) *Review of the Registered Clubs Industry in NSW*, Other Industries Issues Paper, DP 90, May, IPART New South Wales

- Independent Pricing and Regulatory Tribunal (2008) *Review of the Registered Clubs Industry in NSW, Other Industries – Final Report*, June, IPART New South Wales
- Inglis, K (1985) “Gambling and Culture in Australia”, In Geoffrey Caldwell, Brian Haig, Mark Dickerson and Louise Sylvan (eds), *Gambling in Australia*, Southwood Press, Sydney, pp.5-17
- International Centre for Corporate Social Responsibility (2003) *Programme*, 2<sup>nd</sup> ICCSR Symposium, ICCSR, Nottingham, 28 November
- Jenkins, R, Utting, P & Pino, RA (2002) *Voluntary Approaches to Corporate Responsibility: Readings and a Resource Guide*, United Nations Research Institute for Social Development. Retrieved 25 May 2007: <<http://www.unrisd.org/00256B3C005BCCF9>
- Jones, T (1995) “Instrumental Stakeholder Theory: A Synthesis of Ethics and Economics”, *Academy of Management Review*, vol. 20, no. 2, pp. 404-437
- Jones, TM & Wicks, AC (1999) “Convergent Stakeholder Theory”, *Academy of Management Review*, vol. 24, no. 2, pp. 206-221
- Jonker, J & Foster, D (2002) “Stakeholder Excellence? Framing the Evolution and Complexity of a Stakeholder Perspective of the Firm”, *Corporate Social Responsibility and Environmental Management*, vol. 9, no. 4, pp. 187-195
- Kemmis, S & McTaggart, R (2005) “Participatory Action Research: Communicative Action and the Public Sphere” in NK Denzin & YS Lincoln (eds) *The Sage Handbook of Qualitative Research*, (3<sup>rd</sup> ed), Sage Publications, Thousand Oaks, California, pp. 590-603

- Key, S & Popkin SJ (1998) “Integrating Ethics into the Strategic Management Process: Doing Well by Doing Good”, *Management Decision*, vol. 36, no. 5, pp. 331-338
- Kincheloe, JL & McLaren, P (2005) “Rethinking Critical Theory and Qualitative Research” in NK Denzin & YS Lincoln (eds) *The Sage Handbook of Qualitative Research*, (3<sup>rd</sup> ed), Sage Publications, Thousand Oaks, California, pp. 303-342
- Kleiner, A & Roth, G (1997) “How to Make Experience your Company’s Best Teacher”, *Harvard Business Review*, vol. 75, no. 5, pp. 172-177
- Kleiner, A & Roth, G (2000) *Oil Change: Perspectives on Corporate Transformation*, Oxford University Press, New York
- Kolk, A (2005) Corporate Social Responsibility in the Coffee Sector: The Dynamics of MNC Responses and Code Development”, *European Management Journal*, Vol. 23, No. 2, pp. 228-236
- Korn, D, Gibbins, R & Azmier, J (2003) “Framing Public Policy Towards a Public Health Paradigm for Gambling”, *Journal of Gambling Studies*, vol. 19, no. 2, pp. 235-256
- Korn, DA & Shaffer, HJ (1999) “Gambling and the Health of the Public: Adopting a Public Health Perspective”, *Journal of Gambling Studies*, vol. 15, no. 4, pp. 298-365
- Koteen, J (1991), *Strategic Management in Public and Nonprofit Organisations*, Praeger, New York
- Kotler, P & Keller, KL (2007) *A Framework for Marketing Management*, 3<sup>rd</sup> edn, Prentice Hall, New Jersey

- Kropp, F, Holden, SJS & Lavack, AM (1999) “Cause-Related Marketing and Values in Australia”, *International Journal of Nonprofit and Voluntary Sector Marketing*, vol. 4, no. 1, pp. 69-80
- Levy, DL, Alvesson, M & Wilmott, H (2003) “Critical Approaches to Strategic Management”, in M Alvesson & H Wilmott (eds) *Studying Management Critically*, Sage Publications, London
- Levy, DL & Egan, D (2003) “A Neo-Gramscian Approach to Corporate Political Strategy: Conflict and Accommodation in the Climate Change Negotiations”, *Journal of Management Studies*, vol. 40, no. 4, pp. 803-829
- Lincoln, YS & Denzin, NK (2005) “Epilogue: The Eighth and Ninth Moments – Qualitative Research in/and the Fractured Future”, in NK Denzin & YS Lincoln (eds) *The Sage Handbook of Qualitative Research*, (3<sup>rd</sup> ed), Sage Publications, Thousand Oaks, California, pp. 1115-1126
- Lockett, A, Moon, J & Visser, W (2006) “Corporate Social Responsibility in Management Research: Focus, Nature, Salience and Sources of Influence”, *Journal of Management Studies*, vol. 43, no. 1, pp. 115- 136
- Loza, J & Ogilvie, S (2005) *Corporate Australia Building Trust and Stronger Communities? A Review of Current Trends and Themes*, Report to the Prime Minister’s Community Business Partnership and Department of Family and Community Services, November, Commonwealth of Australia
- Lucas, T (2004) “The Emerging Practice of Corporate Citizenship in Australia”, *Journal of Corporate Citizenship*, vol. 13, spring, pp. 28-30

- Macnaghten, P & Myers, G (2004) "Focus Groups" in C Seale, G Gobo, J Gubrium & D Silverman (eds), *Qualitative Research Practice*, Sage Publications, London, pp. 65-79
- Maignan, I & Ferrell, OC (2000) "Measuring Corporate Citizenship in Two Countries: The Case of the United States and France", *Journal of Business Ethics*, vol. 23, no. 3. pp. 283-297
- Maignan, I & Ferrell, OC (2001) "Antecedents and Benefits of Corporate Citizenship: AN Investigation of French Businesses", *Journal of Business Research*, vol. 51, no. 1. pp. 37-51
- Marsh, I, Meagher, G & Wilson, S (2005) "Are Australians Open to Globalisation?", in S Wilson, G Meagher, R Gibson, D Denmark & M Western (eds) *Australian Social Attitudes: The First Report*, pp. 240-257
- Marshall, D (2004) "Gambling, Public Health and the Role of the Federal Government", *Australian Journal of Primary Health*, vol. 10, no. 1, pp. 56-63
- Matten, D & Crane A (2005) "Corporate Citizenship: Toward an Extended Theoretical Conceptualization", *Academy of Management Review*, vol. 30, no. 1, pp. 166-179
- Matten, D, Crane, A & Moon, J (2007) "Corporate Responsibility for Innovation: A Citizenship Framework", in G. Hanekamp (ed.) *Business Ethics of Innovation*, Springer-Verlag Berlin, Heidelberg, pp. 63-87
- McArdle, KL (2008) "Getting in, Getting on, Getting out: On Working with Second-Person Inquiry Groups", in P Reason & H Bradbury (eds) *The SAGE Handbook of Action Research: Participative Inquiry and Practice*, (2<sup>nd</sup> ed), Sage Publications, London, pp. 602-614



- McMillen, J (1996) "Understanding gambling: history, concepts and theories", in J. McMillen (ed.) *Gambling Cultures: Studies in History and Interpretation*, Routledge, London, pp.6-42
- McMillen, J. (1997) "When Gambling is a Problem: Implications for Public Health", *Consumer Rights Journal*, vol. 1, no. 3, pp. 10-13
- McWilliams A & Siegel DS (2001) "Corporate Social Responsibility: A Theory of the Firm Perspective", *Journal of Management Review*, vol. 26, no. 1, pp. 117-127
- McWilliams A, Siegel DS & Wright, PM (2006), "Corporate Social Responsibility: Strategic Implications", *Journal of Management Studies*, vol. 43, no. 1, pp. 1- 18
- Milofsky, C (2000) "Transparent Research", *Nonprofit and Voluntary Quarterly*, vol. 29, no. 1, pp. 61-80
- Mitchell, RK, Agle, BR & Wood, DJ (1997) "Toward a Theory of Stakeholder identification and Salience: Defining the Principle of Who and What Really Counts", *Academy of Management Review*, vol. 22, no. 4, pp. 853-886
- Moir, L (2001) "What Do We Mean by Corporate Social Responsibility?", *Corporate Governance*, vol. 1, no. 2, pp.16-22
- Moon, J (1995) "The Firm as Citizen? Social Responsibility of Business in Australia", *Australian Journal of Political Science*, vol. 30, no. 1, pp. 1-17
- Moon, J (2004) "Government as a Driver of Corporate Social Responsibility", Research Paper Series, no. 20-2004, *International Centre for Corporate Social Responsibility*, Nottingham University Business School, Nottingham University

Muthuri, JN (2007) "Participation and Accountability in Corporate Community Involvement Programmes: A Research Agenda", *Community Development Journal Advance Access*, published 31 January, Retrieved 10 June 2007, from <http://cdj.oxfordjournals.org/cgi/reprint/bsl053v1?maxtoshow=&HITS=10&hits=10&RESULTFORMAT=1&author1=muthuri&andorexacttitle=and&andorexacttitleabs=and&andorexactfulltext=and&searched=1&FIRSTINDEX=0&sortspec=relevance&resourcetype=HWCIT>

National Association for Gambling Studies (2008) *Home*, accessed 15 June 2008 from <http://www.nags.org.au/>

New South Wales Legislative Assembly Hansard and Papers, (2007) *Problem Gambling*, accessed 1 June 2007 from <http://www.parliament.nsw.gov.au/prod/parlment/hansart.nsf/V3Key/LA20070530030>

New South Wales Department of Arts, Sport and Recreation (2006) *Annual Report 2005-2006*, accessed 23 April 2007 from [http://www.olgr.nsw.gov.au/pubs\\_annual\\_reports.asp](http://www.olgr.nsw.gov.au/pubs_annual_reports.asp)

New South Wales Office of Liquor, Gaming and Racing (2007) *Accountability and Governance Requirements for Clubs*, accessed 25 April 2007, from [http://www.olgr.nsw.gov.au/reg\\_clubs\\_accountability.asp](http://www.olgr.nsw.gov.au/reg_clubs_accountability.asp)

New South Wales Treasury (2004) "2 out of 3 clubs will pay no Poker Machine Tax or less Poker Machine Tax after 1 September 2004: The facts on the Poker Machine Tax", *Parramatta Advertiser*, September 1, p. 13

New Zealand Gambling Commission (2006) *Report of the Gambling Commission for the year ended 2006*, accessed 1 June 2007 from [http://www.gamblingcommission.govt.nz/Gcwebsite.nsf/Files/AnnualReport2006/\\$file/GCAnnualReport2006.pdf](http://www.gamblingcommission.govt.nz/Gcwebsite.nsf/Files/AnnualReport2006/$file/GCAnnualReport2006.pdf)

New Zealand Gambling Commission (2006a) *In the matter of the Gambling Act 2003 and on an Application by the Secretary for Internal Affairs to suspend a casino licence*, accessed 1 June 2007 from [http://www.gamblingcommission.govt.nz/Gcwebsite.nsf/Files/Decision65/\\$file/DecisionGC2906.pdf](http://www.gamblingcommission.govt.nz/Gcwebsite.nsf/Files/Decision65/$file/DecisionGC2906.pdf)

New Zealand Ministry of Health (2005) *Preventing and Minimising Gambling Harm: Strategic Plan 2004-2010*, NZ Ministry of Health, accessed 2 June 2007 from [http://www.moh.govt.nz/moh.nsf/0/0320D2273BDBF732CC256FB80009EF74/\\$File/problemgambling-strategicplan-2004-2010.pdf](http://www.moh.govt.nz/moh.nsf/0/0320D2273BDBF732CC256FB80009EF74/$File/problemgambling-strategicplan-2004-2010.pdf)

News.com.au (2007) *Health Survey to Include Gambling*, accessed 1 June 2007 from <http://www.news.com.au/story/0,23599,21812387-29277,00.html> (29 May 2007)

O'Hara, J (1988) *A Mug's Game: A History of Gaming and Betting in Australia*, NSW University Press, Sydney

O'Leary, Z (2004) *The Essential Guide to Doing Research*, Sage Publications, London

Orlitsky, M, Schmidt, FL & Reynes, SL (2003) "Corporate Social and Financial Performance: A Meta-Analysis", *Organization Studies*, vol. 24, no. 3, pp. 403-441

Paul, E (1999) "Australia and Southeast Asia: Regionalisation, Democracy and Conflict", *Journal of Contemporary Asia*, vol. 29, no. 3, pp. 285-308

Pedersen, E R (2006) "Making Corporate Social Responsibility (CSR) Operable: How Companies Translate Stakeholder Dialogue into Practice", *Business and Society Review*, vol. 111, no. 2, pp. 137-163

- Pedler, M & Burgoyne, J (2008) "Action Learning", in P Reason & H Bradbury (eds) *The SAGE Handbook of Action Research: Participative Inquiry and Practice*, (2<sup>nd</sup> ed), Sage Publications, London, pp. 319-332
- Peers, LP (2002) "A descriptive Study of the Formation of a Cross-Organizational Learning Community of Practice", Doctor of Education dissertation, Pepperdine University, *ProQuest Dissertations and Theses*, UMI no. 3045147
- Price, M, 2005, "Footy's experts can take the tip", *The Weekend Australian*, June 4-5, p. 3
- Productivity Commission (1999) *Australia's Gambling Industries*, Final Report, November, Productivity Commission, Melbourne
- Productivity Commission (1999a) *Australia's Gambling Industries*, Draft Report, July, Productivity Commission, Melbourne
- Pusey, M (1991) *Economic Rationalism in Canberra: A Nation-Building State Changes its Mind*, Cambridge University Press, Cambridge
- Pusey, M (2003) *The Experience of Middle Australia: The Dark Side of Economic Reform*, Cambridge University Press, Cambridge
- Raeburn, J & Herd, R (2003) *Gambling & Public Health: A Workplan*, Report prepared for the Problem Gambling Committee, New Zealand
- Reason, P & Bradbury, H (2001) *Handbook of Action Research*, Sage Publications, London
- Reason, P & Bradbury, H (2008) *The SAGE Handbook of Action Research: Participative Inquiry and Practice*, (2<sup>nd</sup> ed), Sage Publications, London

Reason, P & Bradbury, H (2008a) "Introduction", in P Reason & H Bradbury (eds) *The SAGE Handbook of Action Research: Participative Inquiry and Practice*, (2<sup>nd</sup> ed), Sage Publications, London, pp. 1-13

Reason, P & Bradbury, H (2008b) "Concluding Reflections: Whither Action Research", in P Reason & H Bradbury (eds) *The SAGE Handbook of Action Research: Participative Inquiry and Practice*, (2<sup>nd</sup> ed), Sage Publications, London, pp. 695-707.

*Registered Clubs Act 1976* accessed 16 June 2007 from [http://www.austlii.edu.au/au/legis/nsw/consol\\_act/rca1976173/](http://www.austlii.edu.au/au/legis/nsw/consol_act/rca1976173/)

*Registered Clubs Act Amendment Act 2006* accessed 17 June 2007 from [http://www.olgr.nsw.gov.au/pdfs/leg\\_amended\\_clubs\\_act\\_06.pdf](http://www.olgr.nsw.gov.au/pdfs/leg_amended_clubs_act_06.pdf)

Revans, R.W. (1980) *Action Learning: New Techniques for Managers*, Blond & Briggs, London

Roth, G (1996) "Learning Histories: Using Documentation to Assess and Facilitate Organizational Learning", *Sloan Working Papers*, Centre for Organizational Learning, Sloan School of Management, Massachusetts Institute of Technology, accessed 14 March 2006 from <http://dspace.mit.edu/bitstream/1721.1/2668/1/SWP-3968-37617965.pdf>

Roth, G & Bradbury, H (2008) "Learning History: An Action Research Practice in Support of Actionable Learning" in P Reason & H Bradbury (eds) *The SAGE Handbook of Action Research: Participative Inquiry and Practice*, (2<sup>nd</sup> ed) Sage Publications, London, pp. 350-365

- Roth, G & Kleiner, A (2000) *Car Launch: The Human Side of Managing Change*, Oxford University Press, New York
- Roth, G & Senge, P (1996) "From Theory to Practice: Research Territory, Processes and Structure at an Organizational Learning Centre", *Journal of Organizational Change Management*, vol. 9, no. 1, pp 92-106
- Rowley, TJ (1997) "Moving Beyond Dyadic Ties: A Network Theory of Stakeholder Influences", *Academy of Management Review*, vol. 22, no. 4, pp. 887-910
- Røyrvik, E A & Bygdås, A (2002) "Knowledge Hyperstories. The Use of ICT Enhanced Storytelling in Organizations" in Carlsen, A. et al. (2004) *Living Knowledge: The Dynamics of Professional Service Work*. Palgrave Macmillan
- Ruggie, JG (2001) "global-governance.net: The Global Compact as Learning Network", *Global Governance*, vol. 7, no. 4, pp. 371-378
- Sachs, S, Maurer, M, Ruhli, E & Hoffmann, R (2006) "Corporate Social Responsibility from a 'Stakeholder View' Perspective: CSR implementation by a Swiss Mobile Telecommunications Provider", *Corporate Governance*, vol. 6, no. 4, pp. 506-515
- Sachs, S & Ruhli, E (2005) "Changing Managers' Values towards a Broader Stakeholder Orientation", *Corporate Governance*, vol. 5, no. 2, pp. 89-98
- Shah, R (2001) "Relational Praxis in Transition towards Sustainability: Business-NGO Collaboration and Participatory Action Research", PhD dissertation, University of Bath, [http://www.bath.ac.uk/carpp/publications/doc\\_theses\\_links/r\\_shah.html](http://www.bath.ac.uk/carpp/publications/doc_theses_links/r_shah.html): accessed 5 May 2008
- Silverman, D (2006) *Interpreting Qualitative Data: Methods for Analyzing Talk, Text and Interaction*, (3<sup>rd</sup> edn), Sage Publications, London

- Skinner, HA (1999) "Gambling: Achieving the Right Balance", *Journal of Gambling Studies*, vol. 15, no. 4, pp. 285- 287
- Society for Organizational Learning (2005) "Who we are: Practitioners, Researchers, Capacity Builders", *Society for Organizational Learning*, <http://www.solonline.org/aboutsol.who/>: accessed 13 February 2005
- Solomon, RC (2004) "Aristotle, Ethics and Business Organizations", *Organization Studies*, vol. 25, no. 6, pp. 1021-1043
- Sorrill, H (1999) 'No Thunder Downunder', *Casino International*, Oct, pp. 20-21.
- Steingard, DS & Ftizgibbons, DE (1995) "Challenging the Juggernaut of Globalization: A Manifesto for Academic Praxis", *Journal of Organizational Changes Management*, vo. 8, no. 4, pp. 30-54
- Steurer, R (2006) "Mapping Stakeholder Theory Anew: From the 'Stakeholder Theory of the Firm' to Three Perspectives on Business-Society Relations", *Business Strategy and the Environment*, vol. 15, no. 1, pp. 55-69
- Steurer, R, Langer, ME, Konrad, A & Martinuzzi, A (2005) "Corporations, Stakeholders and Sustainable Development I: A Theoretical Exploration of Business-Society Relations", *Journal of Business Ethics*, vol. 61, no. 3, pp. 263-281
- Stone, CD (1975) "Why Should Corporations Be Socially Responsible?", *Where the Law Ends*, pp. 80-87, Harper & Row, New York in JB Ciulla, C Martin & RC Solomon (eds) (2007), *Honest Work: A Business Ethics Reader*, 2007, Oxford University Press, New York, pp. 246-249

- Stringer, ET (2007) *Action Research*, (3<sup>rd</sup> edn), Sage Publications, Thousand Oaks, California
- Svendsen, AC & Laberge, M (2005) “Convening Stakeholder Networks: A New Way of Thinking, Being and Engaging”, *Journal of Corporate Citizenship*, vol. 19, pp. 91-104
- Tasmanian Gaming Commission (1999) *Australian Gaming Statistics 1972-73 to 1997-98*, Centre for Regional Economic Analysis, University of Tasmania.
- Temby, I (2004) Report of the Inquiry in Relation to Penrith Rugby League Club Limited, Department of Gaming and Racing, accessed 16 June 2007 from [http://www.olgr.nsw.gov.au/pdfs/temby\\_report.pdf](http://www.olgr.nsw.gov.au/pdfs/temby_report.pdf)
- Tildesley, EM (1970) *A History of the Queen’s Club: Some Memories and Records of the First Fifty-Eight Years*, Halstead Press, Sydney
- Torbert, WR (1991) *The Power of Balance: Transforming Self, Society and Scientific Inquiry*, Sage publication, Newbury Park, California
- Torbert, WR (2001) “The Practice of Action Inquiry”, in P Reason & H Bradbury (eds) *Handbook of Action Research*, Sage Publications, London, pp. 250-260
- Utting, P (2002) “Regulating Business via Multistakeholder Initiatives: A Preliminary Assessment” in Rhys Jenkins, Peter Utting & Renato Alva Pino, *Voluntary Approaches to Corporate Responsibility: Readings and a Resource Guide*, United Nations Research Institute for Social Development, pp. 61-130. Retrieved 25 May 2007: <<http://www.unrisd.org/00256B3C005BCCF9>
- Utting, P (2005a) “Corporate Responsibility and the Movement of Business”, *Development in Practice*, vol. 15 nos. 3 & 4, pp. 375-388



- Utting, P (2005b) "Rethinking Business Regulation: From Self-Regulation to Social Control", *Technology, Business and Society Programme Paper No 15, September*, United Nations Research Institute for Social Development, Geneva. Retrieved 28 May 2007: [http://www.unrisd.org/UNRISD/website/document.nsf/462fc27bd1fce00880256b4a0060d2af/f02ac3db0ed406e0c12570a10029bec8/\\$FILE/utting.pdf](http://www.unrisd.org/UNRISD/website/document.nsf/462fc27bd1fce00880256b4a0060d2af/f02ac3db0ed406e0c12570a10029bec8/$FILE/utting.pdf)
- Van der Wagen, L & Goonetilleke, A (2007) *Hospitality Management: Strategy and Operations*, 2<sup>nd</sup> edn, Pearson Education Australia, Frenchs Forest, New South Wales
- Vilanova, L (2007) "Neither Shareholder nor Stakeholder Management: What Happens When Firms are Run for their Short-term Salient Stakeholder?", *European Management Journal*, vol. 25, no. 2, pp. 146-162
- Waddock, S (2004) "Parallel Universes: Companies, Academics and the Progress of Corporate Citizenship", *Business and Society Review*, vol. 109, no.1, pp. 5-42
- Waddock, S & Smith, N (2000) "Corporate Responsibility Audits: Doing Well by Doing Good", *Sloan Management Review*, winter, pp. 75- 83
- Wakefield, M, McLeod, K & Clegg Smith, K (2003) Individual Versus Corporate Responsibility for Smoking-Related Illness: Australian Press Coverage of the Rolah McCabe Trial", *Health Promotion International*, vol. 18, no. 4, pp. 297-305
- Wall, J (2008) "Take Note AFL: Pokies Have Undone the NRL", *Crikey.com*, (3 March 2008) accessed 1 June 2008 from <http://www.crikey.com.au/Media-Arts-and-Sports/20080303-Addiction-to-pokies-is-great-undoing.html>

- Weiss, JW (2003) *Business ethics: A Stakeholder and Issues Management Approach*, 3<sup>rd</sup> edn, Thomson South Western, Mason Ohio
- Wentworthville Leagues Club Group (2004) *47<sup>th</sup> Annual Report*, Wentworthville Leagues Club, Sydney
- Werther, WB & Chandler, D (2006) *Strategic Corporate Social Responsibility: Stakeholders in a Global Environment*, Sage Publications, Thousand Oaks, California
- Wilcox, M (1983) *Report of Board of Enquiry into Poker Machines*, Victorian Government Printer, Melbourne
- Windsor, D (2006) "Corporate Social Responsibility: Three Key Approaches", *Journal of Management Studies*, vol. 43, no. 1, pp. 93-114
- World Business Council for Sustainable Development (2000, January) *Corporate Social Responsibility: Making Good Business Sense*, World Business Council for Sustainable Development, Geneva, Switzerland
- Zadek, S (2004) "The Path to Corporate Responsibility", *Harvard Business Review*, December, pp. 125-132
- Zadek, S (2005) "The Logic of Collaborative Governance" Corporate Responsibility, Accountability & the Social Contract", *Working Paper Series*, August 2005, Paper No. 3, Centre for Business and Government, John F. Kennedy School of Government, Harvard University
- Zappala, G (2003) *Corporate Citizenship and the Role of Government: The Public Policy Case*, Report for Information and Research Services, Department of the Parliamentary Library, Commonwealth of Australia



**APPENDIX 1**



RMIT University, City Campus  
124 La Trobe Street,  
Melbourne  
Victoria 3000

General Enquiries (03) 9925 2000  
[www.rmit.edu.au](http://www.rmit.edu.au)

Date:

Dear

I am currently conducting postgraduate research towards a doctoral degree with RMIT University, School of Management. My thesis topic is “An Exploratory Study into the Use of Participative Practices in Addressing Problem Gambling in Western Sydney: An Action Learning Approach”. My supervisors are Associate Professor Carlene Boucher, School of Management, RMIT Business, Melbourne, and Professor Jan McMillen, Centre for Gambling Research, Australian National University, Canberra.

I am inviting you to participate in my research. The aim of the research is to bring together a number of participants with different perspectives on the issue of problem gambling. The project will assess whether (and perhaps, how) the participants’ perspectives on the issue of problem gambling might be influenced by the thoughtful dissemination of these various perspectives.

At this stage of my research , your participation will involve one interview with me of approximately one hour (with the possibility of a follow-up discussion) and, later, you will be invited to attend at a “dissemination” meeting of all participants (this will include 6-9 participants altogether). This session would last no more than two to three hours. The research activities would occur over a three- to six-month period, depending on participants’ availability. Your participation in this research is voluntary and you may withdraw at any time. If you choose to withdraw you can also withdraw any unprocessed data.

In the course of the research, you and other participants may agree to provide others with limited access to defined sections of each other’s data. The purpose of this access is to enable each of you to discover and contribute to other participants’ perspectives on the issue of problem gambling, as part of the “dissemination” session mentioned above. I

will discuss individually with each participant which information will be shared and how this will occur. No information will be shared without your permission.

The data collected will be analysed for my thesis and the results may appear in publications. The results will be reported in a manner that does not enable you to be identified. The reporting will therefore protect your confidentiality.

If you have any queries regarding this project please contact my supervisors: Associate Professor Boucher, phone (03) 9925 5914, email [carlene.boucher@rmit.edu.au](mailto:carlene.boucher@rmit.edu.au) or Professor McMillen, phone (02) 6125 4665, email [Jan.McMillen@anu.edu.au](mailto:Jan.McMillen@anu.edu.au). You may also contact the Chair of the RMIT Business Human Research Ethics Sub-Committee, phone (03) 9925 5593, email [robert.brooks@rmit.edu.au](mailto:robert.brooks@rmit.edu.au)

Yours sincerely,

Wayne Fallon  
LLB, Grad. Dip. Legal Prac., M. Comm

My contact details are:  
c/- School of Management  
University of Western Sydney, Blacktown  
Locked Bag 1979  
Penrith South DC 1797  
Phone: (02) 9852 4138, 0402-402 665  
Email: [w.fallon@uws.edu.au](mailto:w.fallon@uws.edu.au)

**APPENDIX 2****RMIT FACULTY HUMAN RESEARCH ETHICS COMMITTEE**

Prescribed Consent Form For Persons Participating In Research Projects Involving Interviews,  
Questionnaires or Disclosure of Personal Information

**FACULTY OF**  
**DEPARTMENT OF**

**RMIT BUSINESS**  
**SCHOOL OF MANAGEMENT**

Name of participant:

Project Title:

**“An Exploratory Study into the Use of Participative Practices  
in Addressing Problem Gambling in Western Sydney: An  
Action Learning Approach”**

Name(s) of investigators: (1)

**Wayne Fallon**

Phone: **(02) 9852 4138**  
**0402-402 665**

(2)

Phone:

1. I have received a statement explaining the interview involved in this project.
2. I consent to participate in the above project, the particulars of which - including details of the interviews - have been explained to me.
3. I authorise the investigator or his assistant to interview me.
4. I acknowledge that:
  - (a) Having read the attached Plain Language Statement about the project, I agree to the general purpose, methods and demands of the study.
  - (b) I have been informed that I am free to withdraw from the project at any time and to withdraw any unprocessed data previously supplied.
  - (c) The project is for the purpose of research and/or teaching. It may not be of direct benefit to me.
  - (d) The confidentiality of the information I provide will be safeguarded. However should information of a confidential nature need to be disclosed for moral, clinical or legal reasons, I will be given an opportunity to negotiate the terms of this disclosure.
  - (e) The security of the research data is assured during and after completion of the study. The data collected during the study may be published. Any information which will identify me will not be used.

### Participant's Consent

Name:

\_\_\_\_\_  
(Participant)

Date:

\_\_\_\_\_

Name:

\_\_\_\_\_  
(Witness to signature)

Date:

\_\_\_\_\_

*Participants should be given a photocopy of this consent form after it has been signed.*

Any complaints about your participation in this project may be directed to the Chair, RMIT Business Human Research Ethics Committee, RMIT Business, GPO Box 2476V, Melbourne, 3001. The telephone number is (03) 9925 5594, the fax number is (03) 9925 5595 or email address is [rdu@bf.rmit.edu.au](mailto:rdu@bf.rmit.edu.au)

### APPENDIX 3

## **An Exploratory Study into the Use of Participative Practices in Addressing Problem Gambling in Western Sydney: An Action Learning Approach**

### INTERVIEW SCHEDULE (Club Co-researcher)

*The research invites experts in the gambling sector ('co-researchers') to share their views on harm minimisation and social responsibility, in this interview, and later to participate in a workshop/forum to discuss the various views and perspectives of all co-researchers. For the co-researchers therefore, the research offers two significant pay-offs:*

- *First, each co-researcher has the opportunity to understand the various other perspectives on harm minimisation and social responsibility, and to take that new understanding into their own professional practice or business.*
- *Secondly, the research offers them a say in the formulation of mechanisms for dealing with problem gambling, in participative ways that can collectively meet the needs of the various industry stakeholders and interest groups.*

The following questions are aimed at eliciting information on:

- (a) Relevant demographics of the co-researcher;
- (b) The Club's current machine-gaming business activities;
- (c) The Club's use of harm minimisation strategies; how they impact the business of the Club; and how future business is likely to be affected; and
- (d) The Club's current and future socially responsible activities.

#### **A. Relevant demographics of the co-researcher**

1. How long have you been with the Club?
2. What is your role?
3. How long have you worked in the club (or hospitality) industry?
4. Could you give me just a brief description of your current responsibilities?
5. To what extent does this involve working with, or having responsibility for, the Club's gaming activities?

#### **B. The Club's current machine-gaming business activities**

1. So to begin, can you tell me about your Club? [Look for economic and social descriptors.]
2. Is the Club a member of Clubs NSW? Some other affiliation?
3. Roughly, what proportion of the Club's revenue is derived from poker machines?

4. Now, I want to ask you about the future of the Club. In your opinion, what factors are going to have an impact on the Club's future? Can you give me some examples?  
[Look for macro-environmental factors – PESTR]
5. What do you think the future holds for the Club, in terms of:
  - (i) number of poker machines?
  - (ii) a financial performance measure – either revenue, profitability, ROI?
  - (iii) number/type of hospitality facilities (or number of employees)?
  - (iv) number of members?
  - (v) other business activities?

### **C. The Club's use of harm minimisation strategies**

1. I'm interested in finding out your impression of the prevalence of problem gambling. Is problem gambling an issue at the Club? If so, how does the Club deal with it? Could you give me some examples?
2. I'm interested in finding out your views of the industry's harm minimisation strategies. What strategies are in place in the Club? Why has the Club implemented these strategies? Has the Club had any problems implementing or managing them? What sorts of problems?
3. Do the harm minimisation strategies have an impact the Club's business? How? Can you give me some examples?
4. Are the harm minimisation strategies effective? Why do you say that? Can you give me some examples?
5. What do you think the future holds for harm minimisation strategies? Do you think Clubs are going to be called upon to do more for people who have problems with gambling? Can you give me some examples?
6. What influences or groups are going to be involved in the future of machine gaming in Clubs? What are your views about the nature and extent of those influences?

### **D. Socially responsible activities**

1. I see on the Club's website that it seems to take an interest in the local community. Can you tell me something about the Club's community-support activities? Can you give me any examples?
2. I'm assuming the Club has responsibilities under the CDSE? How does the Club go about meeting those responsibilities? Is the Board of Directors involved in that, or does Club management look after that?
3. Does the Club receive many unsolicited requests for financial support? How does the Club deal with them?
4. Because there's been so much in the media and industry about 'social responsibility', I'm wondering what your views on that might be? Do you think the Club meets its 'social responsibilities' to the community? Is there more it could be doing? How do you think that could affect the business of the Club and its relations with community groups?



5. Is it a good Club to work for? What makes it so? How do you think the level of staff turnover compares generally with the rest of the hospitality industry?
6. Is there anything else you would like me to know about the things we've talked about today?

## APPENDIX 4

### An Exploratory Study into the Use of Participative Practices in Addressing Problem Gambling in Western Sydney: An Action Learning Approach

#### INTERVIEW SCHEDULE (Community Co-researcher)

*The following questions are aimed at eliciting information on:*

- (a) The relevant background and experience of the co-researcher;*
- (b) The activities of [XXXX organisation] with respect to problem gambling and gaming;*
- (c) The impact of harm minimisation strategies on problem gambling and gaming, and the likely impact of introducing further harm minimisation strategies in the future; and*
- (d) The current and future practice of social responsibility in the Clubs sector.*

#### **A. Relevant background and experience of the co-researcher**

1. How long have you been with [XXXX organisation]?
2. What is your role?
3. Could you give me just a brief description of your current responsibilities?
4. To what extent does this involve working with, or having responsibility for, problem gamblers and others affected?
5. How long have you worked in this type of role, whether with [XXXX organisation] or another?

#### **B. Activities of [XXXX organisation] with respect to problem gambling/gaming**

6. Can you give me a brief run-down of [XXXX organisation] – an overall description, including size characteristics? What are its affiliations? Strategic alliances? Networking relationships? What are the sources of these affiliations, alliances, relationships – and how strong/committed and useful are these?
7. Roughly, what proportion of [XXXX organisation]'s activities concern problem gambling and gaming machines?
8. Now, I want to ask you about the future of [XXXX organisation]. In your opinion, what factors are going to have an impact on the organisation's future? What type of impact? Can you give me some examples? [Look for macro-environmental factors – PESTR]
9. Do you expect that [XXXX organisation] will continue to be able to provide services consistent with its current level of service? If not, why not? What factors are likely to impact the future level of services provided by [XXXX organisation]? What type of impact do you expect those factors to have?
10. Is there a need for change in relation to counselling and community support organisations and services similar to [XXXX organisation] and the services it provides? If so, what are those changes? Are there any impediments to that?

#### **B. Impact of harm minimisation strategies**

11. I'm interested in finding out your impression of the occurrence/prevalence of problem gambling in the community. First, what meaning do you give to the term 'problem gambling'? How would you describe the occurrence/prevalence of problem gambling? What proportion of problem gambling can be attributed to gaming machines (in licensed clubs)?

12. I'd like your views of the industry's harm minimisation strategies (eg, responsible gaming signage, availability of gambling information brochures, etc). In your opinion, are the current strategies for dealing with problem gambling SUFFICIENT? If not, what more is required? Are the current strategies for dealing with problem gambling EFFECTIVE? If not, what is required to reduce/prevent the incidence of problem gambling, or alleviate its impact? Can you give me some examples?
13. I'm interested in finding out your views about the future of harm minimisation strategies. Do you think the Clubs sector is going to be called upon to implement more harm minimisation strategies? If so, will this approach reduce/prevent the incidence of problem gambling, or alleviate its impact? Why? In your opinion, what alternative approaches could (or should) be used to reduce the incidence or alleviate the impacts? What is the likelihood of these alternative approaches being implemented? What are the drivers for – and the impediments to – the adoption of these approaches?
14. Harm minimisation and social responsibility in the Clubs sector has raised a lot of interest among a broad range of groups – eg, the list of submissions to the IPART Report. Which groups or influences are going to be most heavily involved in the future direction of harm minimisation and social responsibility? What are your views about the nature and extent of those influences? For example, are these influences appropriate or not: beneficial or not? Why? Are there any groups or influences that should be given more weight than others – and, conversely, are there any groups or influences that should be given LESS weight? Why?

#### **D. Current and future practice of social responsibility**

7. I'd like to get your views about 'social responsibility'. What meaning should be given to 'social responsibility' in the Clubs sector? If there is a place for 'social responsibility' in the Clubs sector, how do you think it should be put into practice – at the level of individual Clubs, by industry-wide self-regulation, by government regulations? Any others? What do you see as the issues or difficulties in implementing 'social responsibility'?
8. I'd also like to get your views about the future of 'social responsibility'. Currently, many Clubs contribute to the CDSE, adopt harm minimisation strategies and make other contributions to their local communities. Do you think Clubs will be called upon to be even more socially responsible than they currently are? If so, in what ways will Clubs need to be more socially responsible? How do you think that will be implemented? What type of impact are these additional socially responsible activities likely to have on the Clubs sector?
9. If the Clubs sector is already undertaking socially responsible activities; on a scale from one to ten, could you rate the Club sector's success at being socially responsible – with ten being so successful that there are no additional activities left for the sector to take? If the Clubs sector does not yet score a ten, what more could it be doing – or how to go about finding out what more to do? Do you have a sense of the timing involved in implementing these?
10. If there is scope for the Clubs sector to be even more socially responsible, what groups or influences are likely to bring these changes about? Can you think of any stakeholders or interest groups which could contribute to the socially responsible activities of Clubs? How?
11. Is there anything else you would like me to know about the things we've talked about today?

## APPENDIX 5

### An Exploratory Study into the Use of Participative Practices in Addressing Problem Gambling in Western Sydney: An Action Learning Approach

#### INTERVIEW SCHEDULE

#### **Introduction and description of research**

*The following questions are aimed at eliciting information on:*

- A. *The Department and the co-researcher;*
- B. *The activities of the Department with respect to problem gambling and gaming;*
- C. *The impact of harm minimisation strategies on problem gambling and gaming, and the likely impact of introducing further harm minimisation strategies in the future; and*
- D. *The current and future practice of social responsibility in the Clubs sector.*

#### **A. The Department and the co-researcher**

1. I understand you are the Director of the CCBF and Communications Branches. Have I got this right?
2. To what extent does this cover problem gambling? How?
3. I'm thinking that the Government and the Department are giving some priority to the issue of problem gambling. Are there any moves afoot to restructure the Department's involvement or its approach to problem gambling? Is there a stability to the Department's structure (given all the moves and jockeying in the wider community, and interstate)?

#### **B. Activities of the Department with respect to problem gambling/gaming**

4. I understand the Department fulfils both Regulatory and Compliance functions in the gambling sector. Is this a reasonable understanding?
5. Yet, I'm thinking that the Department will at the same time maintain relationships and networks in the wider community. What are some of its affiliations? Strategic alliances? Networking relationships? What are the sources of these affiliations, alliances, relationships – and how strong/committed and useful are these?
6. Roughly, what proportion of the Department's activities concern problem gambling and gaming machines?
7. Now, I want to ask you about the likely future of the Department. Do you expect that the Department will continue to fulfil its dual functions (regulatory and compliance)? If not, why not? What factors are likely to impact on its future? What type of impact do you expect those factors to have?
8. Is there a need for any type of change in relation to the way the Department addresses problem gambling? If so, what are those changes? Are there any impediments to that?

#### **C. Impact of harm minimisation strategies**

9. I'm interested in finding out your impression of the occurrence/prevalence of problem gambling in the community. First, while I'm looking for a degree of consensus among co-researcher/participants, what meaning do you give to the term 'problem gambling'? How would you describe the occurrence/prevalence of problem gambling? What proportion of problem gambling can be attributed to gaming machines (in licensed clubs)?

10. I'd like your views of the industry's harm minimisation strategies (eg, responsible gaming signage, availability of gambling information brochures, etc). In your opinion, are the current strategies for dealing with problem gambling SUFFICIENT? If not, what more is required? Are the current strategies for dealing with problem gambling EFFECTIVE? If not, what is required to reduce/prevent the incidence of problem gambling, or alleviate its impact? Can you give me some examples?
11. I'm interested in finding out your views about the future of harm minimisation strategies. Do you think the Clubs sector is going to be called upon to implement more harm minimisation strategies? If so, will this approach reduce/prevent the incidence of problem gambling, or alleviate its impact? Why? In your opinion, what alternative approaches could (or should) be used to reduce the incidence or alleviate the impacts? What is the likelihood of these alternative approaches being implemented? What are the drivers for – and the impediments to – the adoption of these approaches?
12. Harm minimisation and social responsibility in the Clubs sector has raised a lot of interest among a broad range of groups – eg, the list of submissions to the IPART Report. Which groups or influences are going to be most heavily involved in the future direction of harm minimisation and social responsibility? What are your views about the nature and extent of those influences? For example, are these influences appropriate or not: beneficial or not? Why? Are there any groups or influences that should be given more weight than others – and, conversely, are there any groups or influences that should be given LESS weight? Why?
13. What part should the Minister/the Department play in all this?

#### **D. Current and future practice of social responsibility**

12. I'd like to get your views about 'social responsibility'. Again looking for a degree of consensus among co-researchers/participants, what meaning should be given to 'social responsibility' in the Clubs sector? If there is a place for 'social responsibility' in the Clubs sector, how do you think it should be put into practice – at the level of individual Clubs, by industry-wide self-regulation, by government regulations? Any others? What do you see as the issues or difficulties in implementing 'social responsibility'?
13. I'd also like to get your views about the future of 'social responsibility'. Currently, many Clubs contribute to the CDSE, adopt harm minimisation strategies and make other contributions to their local communities. Do you think Clubs will be called upon to be even more socially responsible than they currently are? If so, in what ways will Clubs need to be more socially responsible? How do you think that will be implemented? What type of impact are these additional socially responsible activities likely to have on the Clubs sector?
14. If the Clubs sector is already undertaking socially responsible activities; on a scale from one to ten, could you rate the Club sector's success at being socially responsible – with ten being so successful that there are no additional activities left for the sector to take? If the Clubs sector does not yet score a ten, what more could it be doing – or how to go about finding out what more to do? Do you have a sense of the timing involved in implementing these?
15. If there is scope for the Clubs sector to be even more socially responsible, what groups or influences are likely to bring these changes about? Can you think of any stakeholders or interest groups which could contribute to the socially responsible activities of Clubs? How? [Eg, the developments at Penrith Panthers]
16. Is there anything else you would like me to know about the things we've talked about today?

## APPENDIX 6

*An Exploratory Study into the Use of Participative Practices in Addressing Problem Gambling in Western Sydney: An Action Learning Approach*

### **PROBLEM GAMBLING NETWORK FORUM**

#### **DISCUSSION DOCUMENT**

Participant/Co-researchers in this Problem Gambling Network:

[The original Discussion Document listed each of the participant co-researchers here, as well as the organisations with which they were affiliated. This publication of the details of the participant co-researchers was consistent with the terms upon which they agreed to participate in the research. The terms of their participation were that, while they would be known to each other, they would maintain their anonymity for all other purposes, including for the purpose of any publication of the study. For this reason, details of the participant co-researchers are deleted from this reproduction of the Discussion Document.]

This Discussion Document is drafted from conversations between these participant/co-researchers and the researcher, Wayne Fallon. In identifying the different perspectives on the issue of the Clubs sector's social responsibility for problem gambling, this document concentrates on similarities and dissimilarities in the conversations with the co-researchers. The purpose of this document is to provide a focus for the forum discussion. The document has these themes:

- 1. Clubs and the community**
- 2. Gaming machines in the community**
- 3. Income from gaming machines**
- 4. Gaming machines and problem gambling**
- 5. Problem gambling in the community**
- 6. Harm minimisation**
- 7. Social responsibility**
- 8. Community involvement in addressing problem gambling**
- 9. Future considerations**

#### **1. CLUBS AND THE COMMUNITY**

- 1.1 Clubs were widely acknowledged by the co-researchers to provide an invaluable community service. While there was some strong consensus for recognising that Clubs do, in general, show a degree of social responsibility, there was almost equal consensus for recognising opportunities (and need) for higher levels of social responsibility. A majority of co-researchers identified the Clubs sector's

level of social responsibility to be at or slightly above a half-way point (and within the 5 to 7 range).

- 1.2 As an indication of the significance of Clubs in the community, some 52% of the State's population were said to be members of Clubs. There was a suggestion that members of any community often take a Club membership for at least some time during their residency in that community.
- 1.3 Larger Clubs usually have a management structure which is separate from, but reporting to, a Board of Directors. The professionalism and capabilities of Club management have developed remarkably in recent times, possibly as a result of heavier demands from Boards of Directors – driven by a more onerous regulatory framework and the perceived economic turbulence in the sector.
- 1.4 Any corresponding enhancement in the business and management skills of Directors is less clear. Business and management skills are not a prerequisite to assuming the role of Club Director, and this can mean that Club managers may well possess more accomplished business skills and experience than the Directors they report to.
- 1.5 Directors have responsibilities under the Corporations legislation although, according to some co-researchers, all Directors might not be fully aware of these responsibilities (or the full extent or implications of them). Some co-researchers felt that Directors' level of awareness of this responsibility had increased in recent times.
- 1.6 Of the 1,400 Clubs in the State, some 900 were said to be managed by their Directors, without a separate management structure.

## **2. GAMING MACHINES IN THE COMMUNITY**

- 2.1 Gaming machines were generally acknowledged by the co-researchers to be a legitimate form of leisure activity provided by Clubs. There was a tendency for some co-researchers, in different contexts, to separate the gaming machine business of Clubs from that of pubs and the casino.
- 2.2 There was no strong call from the co-researchers for the abolition of gaming machines, although a number of co-researchers were opposed to any expansion in the number of machines and had advocated for a winding back of machine numbers. While gaming machines are contrary to the philosophies of some organisations like the Salvation Army, that organisation is nonetheless prominent in efforts to assist problem gamblers and others affected.

- 2.3 Society expects gaming machine venues (Clubs, pubs and the casino) to assume a degree of responsibility for the negative impacts of gambling, according to the co-researchers.
- 2.4 A number of co-researchers outside the Club sector felt that, because of the significant contributions Clubs make to the community, they could perhaps be understood to have a better right to derive gaming machine income than either pubs or the casino. This is because, by their nature, pubs and the casino are more strongly focussed on increasing returns for investors, rather than making contributions to the community, which is the acknowledged focus of Clubs.
- 2.5 Despite this, there was a perception within the Clubs sector, that some people outside that sector view all gaming machine venues equally and, often, negatively. In those cases, gaming in Clubs is viewed as negatively as gaming in pubs and the casino, regardless of the community contributions made by Clubs.
- 2.6 The Department of Gaming and Racing exercises a complex dynamic in the gaming industry, as both regulator and administrator on a broad range of matters including the negative impacts of gambling. The co-researchers view the Department (and ‘the government’) as a key stakeholder in the gaming industry in general, and problem gambling in particular.

### **3. INCOME FROM GAMING MACHINES**

- 3.1 While Clubs, pubs and the casino all directly derive income from patrons who play gaming machines, there is a more indirect revenue derived by gaming machine manufacturers and the State government (through taxes).
- 3.2 Some Clubs are known to have developed and implemented strategies designed to reduce the Club’s reliance on gaming machine income. Such strategies appear effective because there is evidence that the proportion of gaming machine income in some Clubs is trending downwards.
- 3.3 The reason for such strategies is taken to be a combination of a stronger awareness by Club management of the negative impacts of gambling and, coupled with the State government’s recent tax, gaming machine revenue is not seen as a stable revenue source in the long term.
- 3.4 In order to maintain consistent overall profit levels, with reduced reliance on gaming machine income, Clubs are forced to diversify their income streams and implement operational cost savings. Both of these strategies call for a high level of business knowledge and skill from Club management.
- 3.5 With these heightened professional demands on the capabilities of Club managers, a need for tailored management education for Club managers was identified by a number of co-researchers. The Club Managers’ Association and Clubs NSW



were thought by many co-researchers to be key providers of education programs directed at Club managers.

#### **4. GAMING MACHINES AND PROBLEM GAMBLING**

- 4.1 There was a perception among some of the community sector co-researchers that problem gambling from gaming machines has increased since the decision to licence the machines in pubs.
- 4.2 Because gaming-machine players in Clubs are required to be Club members, players in pubs and the casino are thought to possess more anonymity at the venue. This means that the identification of problem gamblers in Clubs may be marginally more obvious than problem gamblers in pubs and the casino (although still not definitive). Yet, with the different types of gaming machine venues in the community, problem gamblers are able to disguise their level of use, by moving from venue to venue without detection (and moving around the different types of venues).
- 4.3 However, the exclusion of suspected problem gamblers is not seen as a realistic form of dealing with problem gambling in Clubs, given the current harm minimisation framework. So, the alcohol-related harm minimisation practice of refusing alcohol to patrons who show signs of inebriation is not thought to be transferable to gaming. Club staff cannot ‘smell the cards on the breath’ of a problem gambler, as pointed out by one co-researcher.
- 4.4 There was a suggestion from some of the Clubs sector and counselling co-researchers that a more effective and productive interaction with a suspected problem gambler may occur away from a Club’s premises. While they are playing, problem gamblers are ‘in the zone’ and not open to suggestions of temperance. Instead, an offer of assistance is thought more likely to be taken up by a suspected problem gambler, later, after that person has had an opportunity to reflect on the implications of a bad gambling experience.
- 4.5 So, if a more effective and productive interaction with a suspected problem gambler is to occur away from a Club’s premises, the actions that are available to the Club to deal with the problem gambler become very unclear. This is further complicated by the problem gambler’s ability to freely move from venue to venue, and from one type of venue to another.
- 4.6 Is it therefore possible to situate responsibility for a problem gambler with any particular venue? And is it realistic to expect that any particular sector of the gambling industries would be more accountable than other sectors? Does it make any difference that Clubs are already strongly focussed on contributing to their local communities? If so, what difference does that make?

## 5. PROBLEM GAMBLING IN THE COMMUNITY

- 5.1 Problem gambling was recognised by all co-researchers as a significant issue, with prevalence levels across the community at about those identified in the Productivity Commission Report although, according to some, the incidence of problem gambling is higher in some parts of Western Sydney. With a swarming effect, problem gambling was taken to be more concentrated at gambling venues.
- 5.2 The research literature refers to a behavioural continuum from recreational gamblers, and then further along that continuum to those who are 'at risk', through to problem gamblers. This allows for the possibility that a gaming machine player, while not yet exhibiting the characteristics of a problem gambler, might still at some point in the future progress towards being a problem gambler. So a mild level of use, while not in itself a problem, might nonetheless progress to a level that is a problem in the future.
- 5.3 Currently, much of the focus appears to be on the 'confirmed' problem gambler: one with an identified problem. Most gambling support services and facilities may be forced to give less attention to the type of mild use that has the potential to lead to problem gambling. To a large extent, the nature of the support services and facilities available for problem gambling is defined by the resources available to fund them.
- 5.4 Detection of problem gambling is almost only possible after a crisis has been reached. Current programs for dealing with problem gambling generally do not involve early intervention and prevention strategies, before a crisis has become apparent, although early detection may be possible incidentally in the course of assistance being given for other issues.
- 5.5 According to some co-researchers, problem gambling can be understood to constitute a community health issue, something like alcohol and smoking addictions. So, just as early intervention and prevention strategies are implemented as part of a public health model for dealing with alcohol and smoking addictions, there would seem to be scope to adopt early intervention and prevention strategies for dealing with problem gambling. There is currently no early intervention and prevention framework for problem gambling.
- 5.6 Some co-researchers noted that, in the case of other addictions like alcohol and smoking, the early intervention and prevention strategies fostered by a public health model are primarily administered by the Health Department.

## 6. HARM MINIMISATION

- 6.1 The existing harm minimisation strategies are generally understood by the co-researchers to be ineffective and insufficient. There was little or no support for

the existing strategies. In fact, some co-researchers strongly expressed the view that the harm minimisation strategies were ill-conceived and ineffectively implemented.

- 6.2 The impact of this is that some of the strategies have achieved very different results from those intended. For example, while the self-exclusion program was recognised as almost useless in removing problem gamblers from gaming venues, it has proved useful for problem gamblers to project a façade of coping with their gambling problem. This is because the prevalence of gaming machine venues in the community means that a problem gambler can maintain the façade of coping (by self-excluding from one venue) while continuing to gamble at nearby venues, with very little disruption. So, as a harm minimisation strategy, the self-exclusion program was seen to be counter-productive.
- 6.3 Also, the mandatory shut-down period was anecdotally found to have had the effect of destabilising the equilibrium in the gaming industry. The shut-down gave rise to increased levels of gaming activity at each venue as the shut-down approached (something like ‘the 6 o’clock swill’), and also a transfer of activity from Clubs to the casino during the period of the shut-down. This had a longer-term effect of drawing gamblers away from Clubs and towards alternative venues.
- 6.4 Almost all co-researchers expressed some anticipation about the nature of future strategies, following the IPART Report. Some co-researchers expressed the importance of introducing future strategies that are supportable by research about the likelihood of their effectiveness. (The terms ‘research-based’ or ‘evidence-based’ was commonly used.) It was even suggested by one co-researcher that credibility for effective management of problem gambling in the State had been set back by the failure of the harm minimisation strategies to achieve their stated outcomes.

## **7. SOCIAL RESPONSIBILITY**

- 7.1 The co-researchers unanimously felt that Clubs are, to a degree, socially responsible and, according to some, Clubs are perhaps even more socially responsible than other types of gaming venues. Some co-researchers felt that the CDSE Scheme had contributed to the Clubs’ sense of social responsibility. While there were examples of early scepticism from some Clubs towards the Scheme, there was a view that Clubs, generally, are now supporters of CDSE.
- 7.2 However, there appear to be differences in the way some Clubs apparently engage in CDSE. For example, it was said that when a Club fails to attend a CDSE meeting, this may be because it genuinely does not have the available management personnel to attend all meetings, or it may result from a simple lack of interest in CDSE outcomes. Also, some Clubs may prefer to make their financial contributions to specific groups in their communities, and CDSE is then

seen to remove some of a Club's control to do this. While this may derive from long-term alliances between a Club and particular groups in its community, such financial contributions may not always be made to groups which could be considered the most deserving in the community. Despite this, one co-researcher from outside the Clubs sector felt that CDSE had perhaps contributed to Clubs taking a broader view of those groups which could benefit from Club support.

- 7.3 There was a degree of consensus among the co-researchers about the meaning of 'social responsibility'. While the words used to express 'social responsibility' did vary, the need for Clubs to contribute to their communities was well-recognised. What's more, for two co-researchers at least, there was a feeling that 'social responsibility' extended to the Club's responsibilities to its staff. Most co-researchers acknowledged that implementing or operationalising social responsibility presents Clubs with the problem of 'how to do social responsibility?' This was quite distinct from a separate question about the need to be socially responsible in the first place. So, the need for Clubs to be socially responsible was clear – what was not so clear, for some, was how to *do* that?
- 7.4 The practice of social responsibility was said to require Clubs to manage (by balancing) two apparently competing perspectives. First, there are the Club's income-producing objectives designed to ensure an expected level of services and facilities for members. Then, those objectives need to be balanced against the Club's socially responsible objectives of contributing to its community. For some co-researchers, social responsibility involved a consideration of ethical practice.
- 7.5 While it was acknowledged by all co-researchers that Clubs should be socially responsible, especially with respect to problem gambling, it was felt by some that this view may not be consistent across the whole of the Clubs sector. There appears to be differing levels of awareness of problem gambling among Clubs, and perhaps also of the need for Clubs to be socially responsible.
- 7.6 According to most co-researchers, social responsibility involves engagement at individual Club level, some sector-wide leadership or self-regulation and involvement from others in the community including government
- 7.7 It was recognised that the need to be socially responsible imposes something of a burden on Clubs: first, the burden of being aware of the need to be socially responsible in the first place and, secondly, the burden of acquiring and developing the business skills and experience to manage that responsibility at the venue level. Most co-researchers acknowledged that education programs may be needed to address these burdens.
- 7.8 It was also acknowledged that social responsibility must involve the Board of Directors. Whether because of the developing skill levels of managers, some co-researchers anticipated that there is scope for differences between Club management and the Board on matters of social responsibility.

7.9 Because a large number of the State's Clubs are operated by the Directors without employed managers, and in view of the inconsistent business management skills and experience among Directors, such Clubs can be expected to find the implementation of social responsibility particularly problematic. This, too, is taken to identify a need for an education program targeted at Club Directors, and Clubs NSW was understood by some to be a key provider of education programs for Directors.

## **8. COMMUNITY INVOLVEMENT IN ADDRESSING PROBLEM GAMBLING**

8.1 The co-researchers acknowledged the significant contribution of counselling and welfare organisations for their work in problem gambling. Many of these organisations rely (to various levels) on government funding out of consolidated revenue and the annual State budget. There is a perception that funding for problem gambling initiatives, in particular, is only available on an application basis for specific periods, out of the CCBF and (possibly) the CDSE Scheme.

8.2 The method of funding counselling and welfare organisations for problem gambling is in contrast to the method of funding other 'community health' issues, such as drug and alcohol problems. In these cases, some organisations receive an amount of base funding that can therefore accommodate on-going and longer-term projects. There is not the same capacity to provide base funding for problem gambling initiatives, however, and this has the effect of limiting the nature of the counselling and welfare services that can be provided. For example, project-specific funding can mean that counselling and welfare services are only available in chronic situations, for 'problem gambling' after a crisis has occurred. The funding guidelines for problem gambling projects do not seem to accommodate longer-term early intervention and prevention activities, according to one co-researcher.

8.3 However, there is a perception that accommodation of these activities may be under consideration by the Department of Gaming and Racing.

## **9. FUTURE CONSIDERATIONS**

9.1 Australia's gambling industries have in the recent past been the subject of two seminal independent reports (amongst others), one from the Productivity Commission and the other from the Independent Pricing and Regulatory Tribunal. Many co-researchers also showed some familiarity with research from other jurisdictions including Victoria, Queensland, the US and the UK. Among co-researchers there appeared a sense that:

- 9.1.1 Problem gambling is a matter of on-going State and, perhaps, Federal consideration and importance; and
- 9.1.2 The various perspectives on gambling are thought to require (or at least lend themselves to) a degree of independent, outsider investigation. Some co-researchers were understood to see considerable differences between the various stakeholders around the issue of problem gambling. However, when the views of all co-researchers were considered, in general terms, there appeared to be a level of consensus among co-researchers, at some levels.
- 9.1.3 Some stakeholders around problem gambling appear less inclined to engage with other stakeholders which are understood to take a different perspective, although no particular pattern to this could be identified. This disinclination to engage with differing perspectives was either said or claimed *not* to be the case for some co-researchers.
- 9.1.4 As an example of the collaboration among different stakeholders, many of the co-researchers mentioned the moves to establish a problem gambling centre at Fairfield.
- 9.2 At State level, the systematic management of problem gambling is taken by some co-researchers to be still at an embryonic stage. One co-researcher has suggested that the Federal government may have indicated its intention to take over responsibility for gaming, and this co-researcher pointed to the revenues to be derived from gaming as a possible inducement for such a move.
- 9.3 Such political tensions are thought to present the possibility of decisive, but quick-fix, solutions. That type of approach, said some co-researchers, led to the unfortunate implementation of the current existing harm minimisation strategies. Alternatively, ‘over-regulation’ was offered as another type of decisive, but quick-fix, solution. However, according to one co-researcher, because ‘regulations breed loopholes’ this type of approach was also unlikely to produce the desired outcomes.
- 9.4 Some co-researchers view problem gambling as a whole-of-community issue, requiring involvement from a broad range of stakeholders, including government, the Clubs sector and community, counselling and welfare organisations. One co-researcher felt that the former multi-stakeholder networking group, *The Gaming Industry Consultative Committee* (now apparently defunct) had made an important contribution to the understanding and management of gaming and problem gambling in the State.
- 9.5 Another co-researcher has argued for an independent gambling commission. The perceived resistance to that suggestion was thought to stem from a concern from the gaming sectors that they could come in for unwarranted and inappropriate

attack from stronger anti-gambling lobby groups. It was thought that such concerns might not be entirely misplaced. In addition, hesitation about an independent gambling commission may also result from lost credibility over the current quick-fix harm minimisation strategies.

9.6 Also, there was a perception among some co-researchers (from outside the Clubs sector at least) that the gambling industries maintain strong lobby groups. One such co-researcher felt that the pubs and casino sectors apparently enjoy a high level of protection through determined lobbying forces, which are perhaps stronger than those for Clubs.

9.7 Although there is understood to be a degree of collaboration among the Clubs, pubs and casino sectors, several co-researchers (some outside the Clubs sector) felt that regulations directed at Clubs alone mean that Clubs shoulder a disproportionately large share of the burden of problem gambling in the community. This is on top of the already significant contributions Clubs make to their communities.

## **APPENDIX 7**

**From:** Wayne Fallon  
**Sent:** Thursday, 12 May 2005 5:14 PM  
**To:** Wayne Fallon (w.fallon@uws.edu.au)  
**Subject:** Problem gambling discussion document

**Attachments:** UWS Parramatta Campus Map.pdf; Problem Gambling Discussion Document\_May 2005.doc

I'm sending this broadcast email to distribute the Discussion Document which I've drafted from my conversations with those who have agreed to participate in this research. The document is intended to provide a focus for discussion at the forum scheduled for Thursday, 19 May. Here are the details:

**Venue:** Boardroom of the Superintendent's Cottage, Building ET, UWS Parramatta Campus (see the attached map).

**Directions:** Building ET also houses the Whitlam Institute, and there are a number of signs to the Institute. Enter the campus from Victoria Road (near James Ruse Drive), take the left turn at the first T-intersection, following the signs to the Whitlam Institute, and travel along the perimeter of the campus. Parking can be found near or around the large circular drive alongside Building ET, towards the back of the campus. (For further directions call 0402 402 665.)

**Date/Time:** Thursday, 19 May; 1pm for 1.30-4.30pm (with a light lunch)

To set an informal tone for the discussion, and in keeping with university campus conventions, I don't propose to wear a tie.

To assist in setting a loose agenda for the discussion, I'd be grateful if you would let me know beforehand what you feel should be the key issues or items for discussion at the forum. Even if you are unable to attend, I'd appreciate it if you would, in any case, identify some key issues. And if you are unable to attend, please do feel free to nominate an alternative to attend in your place.

I'm looking forward to hearing further from you and, if you would like to discuss any aspect of the research, please do be in touch.

Regards,  
Wayne

Wayne Fallon  
Lecturer, School of Management  
Course Adviser, Master of International Hotel Management  
Master of International Tourism & Hospitality Management  
University of Western Sydney, Blacktown Campus  
Locked Bag 1797  
PENRITH SOUTH DC NSW 1797  
Australia

Ph: 61-2-9852 4138  
Fax: 61-2-9852 4185  
Email: [w.fallon@uws.edu.au](mailto:w.fallon@uws.edu.au)



## **APPENDIX 8**

**From:** Wayne Fallon  
**Sent:** Monday, 20 June 2005 12:22 AM  
**To:** Wayne Fallon  
**Subject:** Agenda & Venue details for Problem Gambling Forum

**Attachments:** Problem Gambling Discussion Document\_May 2005.doc; UWS Parramatta Campus Map.pdf

### **PROBLEM GAMBLING FORUM**

**Date/Time:** This coming **Wednesday, 22 June:** 10am for 10.30--1.30pm (with lunch)

**Venue:** Boardroom, Superintendent's Cottage, Building ET, UWS, Parramatta Campus

**Directions:** Enter the campus from Victoria Road, take the first left turn, follow the signs to the Whitlam Institute, and travel along the perimeter of the campus. Parking is near or around the large circular drive alongside Building ET, at the top of the hill. For further directions call **0402 402 665**.

**Agenda:** I'm proposing to call for agenda items at the start of the session. My suggestion for the agenda:

- Could multi-stakeholder networks make a contribution to the management of problem gambling in NSW?
- If yes, what types of contributions are possible?
- What would be required to develop these networks?
- Are there any impediments?
- But if no, why not?
- Is a voluntary, multi-stakeholder *Common Code of Practice* useful/possible?

**Please RSVP:** If you haven't already, I'd be grateful if you could confirm your attendance: [w.fallon@uws.edu.au](mailto:w.fallon@uws.edu.au); ph 9852 4138; mob 0402 402 665.

Regards,  
Wayne

PS: Attached are another copy of the Discussion Document and a map of the campus.

Wayne Fallon  
Lecturer, School of Management  
Course Adviser, Master of International Hotel Management and

Master of International Tourism & Hospitality Management  
University of Western Sydney, Blacktown Campus  
Locked Bag 1797  
PENRITH SOUTH DC NSW 1797

Ph: 62-1-9852 4138  
Fax: 62-1-9852 4185  
Email: [w.fallon@uws.edu.au](mailto:w.fallon@uws.edu.au)

---

**From:** Wayne Fallon  
**Sent:** Tue 17/05/2005 4:27 PM  
**To:** Wayne Fallon (w.fallon@uws.edu.au)  
**Subject:** Problem gambling forum postponed to 22 June

A number of participant/co-researchers in this research have indicated that they are unable to attend the forum previously scheduled for this coming Thursday, 19 May. So, in an attempt to find a date that is more suitable to all **the forum has been rescheduled to Wednesday, 22 June**: 10.30am–1.30pm. I hope this new date will be suitable to everyone – I'll circulate venue details, etc, around the middle of June.

Without encroaching too heavily on your time, I'm proposing to call in the next few weeks to find out what you think should be the key issues or items for discussion at the forum in June.

I am grateful for your assistance, and I'd be pleased to discuss any aspect of the research if you have any concerns or areas of particular interest.

Regards,  
Wayne

Wayne Fallon  
Lecturer, School of Management  
Course Adviser, Master of International Hotel Management  
Master of International Tourism & Hospitality Management  
University of Western Sydney, Blacktown Campus  
Locked Bag 1797  
PENRITH SOUTH DC NSW 1797  
Australia

Ph: 61-2-9852 4138  
Fax: 61-2-9852 4185  
Email: [w.fallon@uws.edu.au](mailto:w.fallon@uws.edu.au)

## APPENDIX 9

### PROPOSED PROGRAM FOR FORUM

#### 1. Welcome

**2. Introductions:** Who you are – Where you're from – What's been happening in your area of work in the last month or so – What expectations (if any) you have for the session – Ideas for likely outcomes?

**3. Set the agenda** (might get a sense of this from expectations)

My suggestions (assuming change is inevitable):

#### Multi-stakeholders networks:

- Could multi-stakeholder networks make a contribution to the management of problem gambling in NSW?
- If yes, what types of contributions are possible?
- What would be required to develop these networks?
- Are there any impediments?
- But if no, why not?
- To what extent might stakeholders have accepted their positions and relationship with other stakeholders, even if those relationships aren't entirely preferable?

#### Common Code of Practice

- Is a voluntary, multi-stakeholder Common Code of Practice useful/possible?
- Traffic light approach (taken from community planning principles):
  - 'Red' practices must be stopped
  - 'Green' one are desirable
  - 'Yellow' practices require improvement within a certain time period
- Alternatively, change outcomes broken up over short, medium or long term timeframes

#### Discussion Document

- Are Clubs being called upon to operate/manager differently?
- How might Club managers feel about this? And the peak bodies?
- In time of turbulent change, might management of clubs be feeling under siege – pressured to perform?
- What impact will Boards of Directors have on the change?

#### 4. Where to from here?