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Third Sector Review provides a refereed publication outlet for scholars, researchers and practitioners who are working in the third sector.

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ANZTSR, PO Box 31, Stepney, Adelaide, South Australia, 5069. Email: anztsr@anztsr.org.au.

Editorial correspondence and manuscript submissions should be directed to:

Associate Professors Carolyn Cordery & Karen Smith, Joint Editors, *Third Sector Review*, Victoria Business School, Victoria University of Wellington, PO Box 600, Wellington, NZ.
Email: tsr-editors@vuw.ac.nz.

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The third sector is constituted by all those organisations that are non-profit and non-government, together with the activities of volunteering and giving which sustain them. These organisations are a major component of many industries, including community health services, rural, education, housing, sport and recreation, culture and finance. Although they differ amongst themselves, third-sector organisations differ as a group from for-profit businesses and from government departments and authorities. Third-sector organisations vary greatly in size and in their activities. They include neighbourhood associations, sporting clubs, recreation societies, community associations, chambers of commerce, churches, religious orders, credit unions, political parties, trade unions, trade and professional associations, private schools, charitable trusts and foundations, some hospitals, welfare organisations and even some large insurance companies.

What is ANZTSR?

ANZTSR was launched in 1993. It arose from the growing awareness of the importance of the third sector in Australia and New Zealand, the paucity of reliable information about it, and the difficulty of working as isolated researchers. ANZTSR is an incorporated association. ANZTSR joins similar organisations in the USA (ARNOVA), the UK (ARVAC) and the International Society for Third Sector Research (ISTR) as active networks that promote communication between researchers and help develop synergies in the research endeavour. Research networks have also formed in several European countries or regions, in Latin America and Japan. These all testify to the growing interest in the third sector. The third sector is an important but hitherto undervalued and under-researched sector of societies, political systems and economies.

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Editorial

*Karen A. Smith & Carolyn Cordery, Victoria Business School,
Victoria University of Wellington*

Much has changed since the first edition of *Third Sector Review* in 1995, and later this year we will celebrate 21 years of the ANZTSR journal with a special issue. This will include a retrospective of the journal by our predecessors as editors, Rosemary Leonard and Ruth Phillips, and invited commentaries from leading ANZTSR researchers, who will reflect on key themes in our sector, including the changing relationship between government and the third sector, charity law, volunteering and social enterprise.

One challenge facing publishers such as ANZTSR is the costs a journal incurs, both in its production and in its environmental impact. Another is how to reach the widest possible audience of academics and practitioners. To address these challenges, and to continue publishing quality cross-disciplinary research that is relevant to the third sector in Australia, New Zealand and the Pacific, from this issue *Third Sector Review* will move online. The journal will be available to members through the ANZTSR website (www.anztsr.org.au).

In this, the first of our digital issues, schools feature in two papers. Orugo and Burridge examine the opportunities for teaching and learning about human rights in the Australian school curriculum. They outline the legal frameworks underpinning human rights education, from the United Nation's *Universal Declaration of Human Rights* (1948) to the *Declaration on Human Rights Education and Training* (2011). The paper details a number of Australian initiatives, and draws on round-table discussions and interviews with curriculum authorities, teacher associations and NGOs, as well as on curriculum documents. The research argues for strengthened partnerships between human rights NGOs and school systems, in order to broaden students' opportunities to learn about human rights.

Schools are also the context of the paper of Moschakis, Jerram and Loftus, who investigate the voluntary financial reporting strategies and practices of three independent schools in South Australia. The paper considers what, how and why financial information is provided to fee-paying parents, a key stakeholder group. They use agency theory, stakeholder theory and signalling theory, informed by Argyris and Schön's theories of action. The study contrasts reporting strategies motivated by accountability, compliance and self-promotion with reporting practices which feature compliance and self-promotion. The authors propose a model for the relationships between the perceptions of parents, the motivations for reporting, and the implications of each motivation for the financial reporting strategies.

Finally in this issue, Huq and Burgin develop the concept of eco-social capital to explore the development of cohesiveness in environmental volunteer groups. They take a historical perspective to consider the development of eco-social capital, a development of social capital theory. They define 'eco-social capital' as 'the outcome of social networks and social interaction of community environmental volunteers who joined networks that had any of a diversity of motivations and ultimately engaged with the network', and propose that it develops within groups as a result in social networks with a sense of place and ecological identity.

As *Third Sector Review* takes the next steps in its development, we encourage you to submit papers to both the journal and to the 13th Biennial ANZTSR Conference, to be hosted by the University of Sydney on 24–25 November 2016. The conference theme is Social Justice, Social Enterprise and the Market: Challenge or Opportunity. We look forward to seeing you in Sydney.

The Contribution of Non-government Organisations to Human Rights Education in Australian Schools

Susan Oguro, School of International Studies, University of Technology Sydney, and Nina Burridge, School of Education, University of Technology Sydney

Abstract

Non-government organisations (NGOs) can play an important role in educating about and advocating for human rights. This paper reports on findings from an investigation of the opportunities for teaching and learning about human rights in the Australian school curriculum, and in particular the opportunities for learning about human rights in schools through the work of Australian-based non-government and not-for-profit organisations. The research points to the value of strengthening partnerships between NGOs which specialise in the defence of human rights and school systems in order to broaden students' opportunities to learn about human rights. This paper argues for the recognition of the current work of NGOs in education systems in Australia, and for an extension of programs and project work around key human rights issues with young people and teachers.

Keywords

Non-government organisations; human rights education; school curriculum

Introduction

The role played by the non-government organisation (NGO) sector in the promotion of human rights and education about human rights globally is extensive and involves initiatives not only from a range of large national and international organisations, universities and independent research centres, but also from small not-for-profit organisations. NGOs' role in the promotion of civil societies has increased markedly in the last three decades, with one factor in this development attributed to the acceleration of market economies and the rise of neoliberal ideologies that have emphasised private voluntary agencies' move into the aid- and rights-related spaces vacated by governments facing financial stringencies (Eade 2004). The rise of the not-for-profit sector in the promotion of human rights also relates to their role in maintaining an independent stand from governments and pursuing a rights-based social justice agenda that seeks to highlight the transgressions of government, whether locally or in international contexts. The key aims of such organisations range from roles of advocacy and lobbying, supporting the least advantaged in society, to large-scale international operations working in humanitarian programs in some of the most conflicted parts of the world (Brander et al. 2015).

Irrespective of their funding base or primary mission, a number of key NGOs have undertaken the role to promote civic values and human rights in the school education sector, seeing children and young people as an excellent place to commence the process of understanding about a rights-based culture. This has resulted in the development and application of a number of programs and teaching resources directly designed for school-aged children.

This paper provides an overview of the legal frameworks which underpin education about human rights in schools. It then details a range of human rights education programs developed by NGOs, and examines how they are being implemented in schools. It highlights the need for schools not only to engage with civil society to ensure that schools and students are not isolated from the communities in which they exist, but also to promote proactive partnerships with NGOs in

order to emphasise the principles of active citizenship both in local and global contexts.

The data and evidence presented here is drawn from a comprehensive Australia-wide study undertaken by a team of researchers at the University of Technology Sydney (Burridge et al. 2013). The research was funded by the Australian Attorney-General's Department, under the recommendations of the National Human Rights Consultation Report (Commonwealth of Australia 2009).

Legal Frameworks Underpinning Education about Human Rights in Schools

Education about human rights in schools in Australia has been shaped by international declarations and policy frameworks dating back to Australia's adoption of the United Nations' Universal Declaration of Human Rights in 1948. Since then, the United Nations (UN) has urged countries to disseminate the Declaration, and to educate their citizens about its contents and subsequent UN human rights conventions, treaties and charters, all of which have all included a role for school education about human rights (Office of the High Commission for Human Rights 2004).

The focus on human rights education has emerged even more strongly over the past two decades at an international level. Led by the UN, the Decade of Human Rights Education (1995–2004) and the World Programme for Human Rights Education (2005–2014) provided the first concerted efforts to support human rights education across UN member states. One of the main objectives of the World Programme for Human Rights Education was to promote 'a common understanding of basic principles and methodologies of human rights education, to provide a concrete framework for action and to strengthen partnerships and cooperation from the international level down to the grass roots' (Office of the High Commission for Human Rights n.d.). The World Programme was structured for implementation in consecutive phases. During its first phase (2005–2009), human rights education in the

primary and secondary school systems was addressed; the second phase (2010–2014) moved on to the promotion of human rights education in higher education and human rights training for teachers, educators, civil servants, law enforcement officials and military personnel (Office of the High Commission for Human Rights n.d.). The valuable contributions of NGOs to human rights education at the local level in schools and in the support of teachers are grounded within this broader global framework.

A further significant initiative in human rights education was the 2011 adoption by the UN of the *Declaration on Human Rights Education and Training* (United Nations General Assembly 2011). Its focus on developing a culture of rights within the wider community has required all organisations, including NGOs, to promote a culture of rights. The declaration defined human rights education as comprising:

. . . all educational, training, information, awareness-raising and learning activities aimed at promoting universal respect for and observance of all human rights and fundamental freedoms and thus contributing . . . to the prevention of human rights violations and abuses by providing persons with knowledge, skills and understanding and developing their attitudes and behaviours, to empower them to contribute to the building and promotion of a universal culture of human rights (United Nations General Assembly 2011: Article 1).

Specifically, the Declaration highlighted three key dimensions of human rights education:

- education *about* human rights, which includes providing knowledge and understanding of human rights norms and principles, the values that underpin them and the mechanisms of their protection;
- education *through* human rights, which includes learning and teaching in a way that respects the rights of both educators and learners; and
- education *for* human rights, which includes empowering persons to enjoy and exercise their rights and to respect the rights of others (United Nations General Assembly 2011: Article 2).

The training of teachers and others involved in education in human rights principles was identified as a key strategy by the UN in its declaration that human rights education needed to be based on the principles of the *Universal Declaration of Human Rights* (United Nations General Assembly 2011: Article 3), as well as relevant regional and national standards and principles (United Nations General Assembly 2011: Article 4). States were identified as having the primary responsibility for promoting human rights education and training (United Nations General Assembly 2011: Article 7).

The fundamental tenet of the need for human rights education in schools is therefore premised on the fact that all children should have the opportunity to know and understand the evolution of an international system of justice and human rights protection through the existence of the UN and, most significantly, through the *Universal Declaration of Human Rights*. An understanding of the significance of the creation of the United Nations after one of the most tumultuous periods of modern history, and the acceptance by nations of the world of the subsequent Declarations and Conventions designed to protect the dignity of all human beings, should be seen as integral parts of the educative process for all children.

Human Rights Education in the Australian Context

In response to the increased emphasis on human rights education in the international community, and local demands for enhanced protection for and promotion of human rights in Australian law, the Rudd Labor government introduced a number of initiatives to develop a human rights education framework in Australia. These included a national round of consultations in 2009 to determine how Australia could better protect and promote human rights. The final report on the national consultations found a lack of awareness about human rights in Australia, and identified the need for human rights education and for the development of a national human rights education plan

(Commonwealth of Australia 2009). Subsequently, the federal Attorney-General's Department released Australia's Human Rights Framework in 2010 (Commonwealth of Australia 2010). The importance of human rights education is one of the five key principles of the Framework, which outlined the government's commitment to invest in education initiatives to promote understanding of human rights across the community (Commonwealth of Australia 2010). While the 2009 National Consultation on Human Rights (Commonwealth of Australia 2009) revealed a lack of consensus on the necessity for formal recognition of human rights in the Australian constitution, there was a strong sense from many respondents to the consultation that more needed to be done to educate Australians about their rights, and their responsibilities to respect the rights of others.

The third key initiative in relation to human rights education was the national Human Rights Action Plan (Commonwealth of Australia 2012b). As part of the Plan, the place of NGOs in the field of human rights education was established through the outlining of funding for NGOs to deliver community-based human rights education and engagement programs. In addition, the plan included increased funding commitments to the Australian Human Rights Commission for its community education program, and for its work with schools and education authorities and the Australian Curriculum, Assessment and Reporting Authority to ensure the place of human rights and principles in the national curriculum.

Overall, the Human Rights Action Plan (Commonwealth of Australia 2012b) sought to build a culture of rights in schools as well as in the wider community, engendering respect for individual and collective rights, and encouraging collaborations between schools and civic bodies that enhance social cohesion in our neighbourhoods. The research reported here is one outcome from recommendations of a report funded by the Australian Attorney-General's Office (Commonwealth of Australia 2009) to investigate the opportunities to study human rights issues within the Australian curriculum. One key finding of that study which had not been readily apparent in the research literature was the identification of the NGO sector as an important contributor to human rights education in

schools. This place for NGOs was not necessarily found to be part of the formal school curriculum, but was often integrated within schools' social or civic mission. The following section focuses on this contribution.

The Role of Non-government Organisations in Human Rights Education

As noted earlier, the not-for-profit or NGO sector underwent significant growth in size and scope in engagement with Human Rights Education between 1980 and 1995 (Tibbits & Kirchschräger 2010). Tibbits & Kirchschräger (2010) note that the number of organisations dedicated to human rights education quadrupled during this period, and attribute this to two key reasons: the failure of educators to engage with topics that focus on the rights of individuals or communities in an explicit way or with a social justice focus, and secondly the inadequate level of government financial allocations for human rights education and the increasingly decentralised systems of education. Nevertheless, this engagement with schools has been an overall positive experience as NGOs have set up relationships with individual schools, working with specific teachers and departments and in some cases having an impact at a national policy level (Tibbits & Kirchschräger 2010).

Research Methods and Scope

The discussion in this paper on the role of NGOs within the schooling sector is drawn from results of a larger study, titled Human Rights Education in the School Curriculum (Burridge et al. 2013), undertaken in response to the National Human Rights Consultation Report (Commonwealth of Australia 2009) and the subsequent Human Rights Framework Action Plan (Commonwealth of Australia 2012b). The aims of this major study were to analyse the curriculum opportunities in each Australian state and territory (the curriculum organisational units) for human rights education, and to identify the kinds of resources and

technologies required to support students to learn about human rights issues.

The key participants in the research were stakeholder representatives from all Australian states and territories, including curriculum authorities, teacher associations and NGOs that work in schools and/or in the development of educational materials on human rights. Qualitative data was collected from the participants for the project through a series of eight round-table discussions, each of one to two hours' duration. Additional data was collected through follow-up interviews conducted with specific NGOs, and also via a document analysis of their projects and programs. A full list of participants and greater detail on data collection methods can be found in the larger project report (BurrIDGE et al. 2013).

As well as the contribution of the NGO and other stakeholders who participated in the round-table discussions, the project team analysed national and state curriculum documents, utilising a conceptual framework based on the extent to which human rights education content was explicitly or implicitly addressed in these curriculum documents. The analysis undertaken of both current curriculum opportunities and of gaps in the primary and secondary school curriculum in the national and state and territory curriculum provides valuable information on the extent to which Australian schools are engaging with human rights education.

Findings

The findings from an analysis of the opportunities for human rights education in the school curriculum indicate that the senior school years (Years 11 and 12) provide the most *explicit* and *implicit* learning opportunities to study topics that are clearly related to human rights issues. Further, an overall finding of the analysis was that only a small proportion of students are likely to study human rights issues to any significant extent across their school years. In essence, the study of human rights issues takes place without any clear overall definition of

rights, and mostly without any overarching context or link back to UN declarations, treaties, conventions or recent Australian rights legislation.

Notwithstanding these limitations, a range of learning opportunities about human rights is provided to schools through the work of NGOs, through activities such as community-school initiatives (projects, programs and campaigns); special events and festivals; and school excursions and camps. It is important to note that these opportunities are not specifically mentioned in any curriculum or syllabus documents, but were found to arise out of individual school, teacher or student interest. The following section provides an overview of the work of some specific individual NGOs in promoting human rights in schools.

Examples of NGO Initiatives in Schools: Projects, programs, campaigns

The work of the NGOs in schools centres on raising awareness of human rights and assisting students and teachers to take action on specific human rights issues. The human rights issues that have the highest profile in schools tend to be related to Indigenous rights, asylum seekers and refugees, famine, poverty, the rights of children, prisoners of conscience and torture. In most cases these issues are addressed in schools when NGOs are invited for a class presentation or workshop to talk about their projects and campaigns, or to raise awareness about specific rights issues.

Some of the most active and involved NGOs working with schools across Australia include:

- Amnesty International Australia, the world's largest human rights organisation (Amnesty International Australia n.d.);
- The Asylum Seeker Resource Centre, an organisation which provides practical and personal support for asylum seekers living in the community (Asylum Seeker Centre n.d.);
- CARE Australia, a charity and international humanitarian aid organisation working against global poverty (CARE Australia 2015);

- Caritas Australia, which supports long-term development programs in impoverished communities (Caritas Australia 2015a);
- Engineers Without Borders Australia, an organisation focused on bringing about change through humanitarian engineering (Engineers Without Borders Australia 2015a);
- The Fred Hollows Foundation, which aims to end avoidable blindness and improve Indigenous health (Fred Hollows Foundation 2014b);
- The Global Education (GE) project, funded by the Australian government's Australian Aid fund until 2014 (Commonwealth of Australia 2012a);
- Oxfam Australia, part of an international development organisation (Oxfam Australia n.d.–a)
- Reconciliation Australia, a national organisation promoting reconciliation between Aboriginal and Torres Strait Islander peoples and the Australian community (Reconciliation Australia n.d.–a);
- Red Cross, the world's largest humanitarian organisation (Australian Red Cross 2015b);
- Save the Children, an emergency relief and development organisation focussed on the needs of children (Save the Children n.d.–a); and
- World Vision, a worldwide community development organisation (World Vision Australia n.d.–c).

It must be stressed that the above list of NGOs is not exhaustive, and is provided simply to indicate the range of NGO work in the field of human rights education in Australian schools. Organisations appear in alphabetical order. An overview the activities and example resources developed for use with school students by each of these NGOs can also be found in Appendix 1. The example resources aim to address learning outcomes in the curriculum areas of English, Studies of Human Society and Environment, and Personal Development.

Government-supported Organisations Working within Human Rights Education in Schools

Some NGOs and government-linked organisations play a less active role in direct school activities and programs; nevertheless, the resources they produce to support the teaching of human rights in schools are valuable. Such organisations often have more of an online presence rather than an active base of activities that connect with schools or communities. Communication technologies and social media can be highly effective mechanisms to educate students about human rights issues, particularly as these technologies lend themselves to the interactive and experiential approaches that have been identified as highly effective pedagogical approaches to human rights education. These technologies also provide potential opportunities for students to engage in national and even international exchanges and partnerships dealing with human rights issues. Examples of government-supported organisations using this model to promote human rights education in Australian schools include the Museum of Australian Democracy, the Refugee Council of Australia, the State Library of New South Wales and the United Nations Global Peace School. Further detail on each organisation and sample human rights learning resources they produce can be found in Appendix 2.

Discussion

The resources to support human rights education listed in Appendix 1 and Appendix 2 highlight the roles these organisations play in promoting just and equitable civil societies that value basic human rights principles embedded in the rule of law, and that seek to enforce these principles through our legal and legislative systems. While this paper does not detail individual comments made by the NGOs' representatives who contributed to the larger research project (Burrige et al. 2013) through a series of round-table discussion groups, the NGO representatives noted the importance of engagement with young people, teachers and schools at all levels in issues centred on human rights. This was the case for issues around individual human rights or more collective notions

of social justice and global perspectives on rights. Indeed, there is no doubt that, given the valuable, interesting and wide-ranging human rights education work being undertaken by a number of key NGOs, government educational departments need to acknowledge this work as a valuable part of the educative process for students.

Through the data collected in this project, it also became clear that informing schools more widely about educational resources and programs available through the NGO network, as well as assisting schools to access these resources, promotes a culture of collaboration between different stakeholders in this field. Often it is rights-based non-government organisations that initiate human rights-focused activities in schools. There is substantive research in education that notes the importance of schools as learning communities that connect with organisations beyond the school fence (Schussler 2003; DuFour 2004; Marsick et al. 2013) to broaden the experiences and learning of students in what are matters of local as well as global importance.

Through the experiences of NGOs and schoolteachers collected in the research, it was clear that expansion of the opportunities NGOs have to engage with schoolchildren requires their employment of key staff with the skills and knowledge in curriculum development processes, and an understanding of the complexity of Australian schools sector. This would enable sustainable links with schools in lasting partnerships to bridge the gap between the formal curriculum and human rights, which, as has been noted, tends to form part of the informal curriculum. As argued by Brander et al, (2015) in the European context, but applicable also within Australia and New Zealand, NGOs are:

. . . tools to be used by individuals and groups throughout the world . . . [and] draw a large part of their strength from members of the community offering voluntary support for their cause. This fact gives them great significance for those who would like to contribute to the improvement of human rights in the world (Brander et al. 2015: 418).

It is this committed engagement that is a great resource for schools to tap in to.

In the context of increasing global connectivity, the study also identified that linking Australian students with peers in schools internationally is an expanding area of human rights education. For example, the importance of utilising social media to engage young people emerged as an important consideration for all organisations working in the human rights education field. Blended learning technologies using mobile devices were reported as an important way to engage students, even though accessibility to resources for all students was an important consideration in the implementation of schools programs.

Limitations of NGOs

While hailing the value of the work done by NGOs in schools, our research also noted that it was important for educators to understand the limitations on NGO schools programs and their involvement with teachers and students. Limited funding and limited staffing in many of these organisations impact on the ability of NGOs to be involved with schools. Many other NGOs, while seeking to involve students and young people in their campaigns, projects or events, are unable to deploy staff on a regular basis to engage with schools. For example, the findings from the *Human Rights Education in the School Curriculum* report (Burridge et al. 2013) note that Amnesty International employed a schools coordinator in its Sydney office, who oversaw school activities across Australia, but not all the organisation's state and territory offices were able to offer schools programs. Save the Children had staff members in only two states (New South Wales and Victoria) who were able to include a focus on involvement with schools, despite the organisation having as one of its main objectives a focus on education and involvement around child rights.

Another point to note is that these NGOs create project-based links with a committed teacher in a school, and while these activities are engaging and important, they are not sustained nor are they extended to a large group of students in the school. Therefore, approaches to human rights education in schools are often ad hoc and based on individual teacher interest. This often means that maintaining a sustainable

relationship with a school is difficult if the teacher leaves or their role changes. Then the valuable resources produced by NGOs (often the most up-to-date material on specific human rights issues) and school visits (which provide a good opportunity for the exploration of current human rights) do not always have long-lasting impact, as they do not provide a whole-school approach. In many cases, once an educational resource was produced and made available electronically, there was little or no support to promote or support its educational use.

Representatives also spoke in the round-table discussions of the dangers of the 'goldfish bowl' approach in schools, whereby students participated in projects and services without fully engaging in a two-way exchange. Further, it is often difficult to engage students when the NGO's human rights activities often happen outside the mainstream curriculum – for example, in lunchtime groups with students and teachers who are already committed to the cause of human rights. Greater focus in the formal curriculum would enhance the development of a rights culture in schools in a much more holistic way.

One important consideration is the need for a national repository for human rights education resources that would be accessible by all Australian schools. Further discussion needs to occur on the motives of some of the NGOs in working within the education sector. This discussion would relate to these organisations' views on some rights which are deemed to be contestable, such as same-sex marriage and abortion rights. These NGOs are often connected to a particular religion or cultural group, and often operate within a religious or ethnic-centred educational structure (such as Catholic, Muslim or Jewish schools).

Conclusion

This paper has sought to outline the work of the NGO sector in promoting a culture of human rights within the school education sectors in Australia. The findings illustrate that there are some key national and international organisations that have developed valuable and relevant programs and resources for use in schools, which utilise interactive technology and which enable students to engage authentically,

either through guest speaker programs, school fundraising projects or curriculum discussions about key human rights issues.

The majority of these NGOs play an important role in human rights education. This role needs to be recognised and opportunities created for collaborations to extend their programs and project work around key human rights issues with students and teachers in schools, in order to enable a whole-school approach to such issues. This requires a more determined stance and resource allocation by education departments in each state and territory, as well as by the federal government, to allow partnerships between schools or departments of education and NGOs to flourish. This would in turn enable schools to benefit from the work being done by the NGO sector in a more comprehensive way.

Strengthening such partnerships and engaging in committed collaborations, not just in areas beyond the classroom programs and activities but also within the formal curriculum, would enhance learning opportunities for students. In addition, the creation of a national repository for educational resources, to be made available online to all schools across Australia, would assist in fulfilling the recommendations of the National Human Rights Consultation (Commonwealth of Australia 2009) to create a human rights culture across Australian communities.

Table 1 Non-government organisations' resources and activities supporting human rights education in schools

Organisation	Sample resources and activities supporting human rights education in schools
Amnesty International Australia	<p><i>Go Back to Where You Came From</i> (SBS TV 2013) is a resource for learning about refugees and asylum seekers.</p> <p><i>Indigenous Peoples' Rights in Australia Today: Where do you stand?</i> (Amnesty International Australia 2010) for learning about Indigenous rights. <i>Becoming a Human Rights Friendly School: A guide for schools around the world</i> (Amnesty International Australia 2014)</p>
The Asylum Seeker Resource Centre	<p>The Asylum Resource Centre focuses on the rights issues of asylum seekers and refugees (Asylum Seeker Centre n.d.).</p> <p>The centre responds to requests from teachers to visit their school to give presentations about issues associated with asylum seekers.</p>
CARE Australia	<p>One of CARE Australia's key fundraising activities, which also engages schools, is the <i>Walk in Her Shoes Challenge</i> (CARE Australia n.d.). The organisation also provides speakers for talks in schools focussing on aspects of global poverty. CARE Australia's <i>Global Poverty: Teacher's toolkit</i> is a resource to help teach students about poverty, through case studies and planned lesson activities (CARE Australia 2013).</p>
Caritas Australia	<p>Among Caritas's school resources are curriculum- and topic-specific resources for primary and secondary schools, including for its annual fundraising and community engagement project titled <i>Project Compassion</i> (Caritas Australia 2015b).</p>
Engineers Without Borders Australia	<p>Engineers Without Borders operates <i>High School Outreach</i> (Engineers Without Borders Australia 2015b) focussing on addressing humanitarian engineering issues in developing country communities, such as the need for clean water, sanitation and hygiene, energy, basic infrastructure and waste systems. Students are encouraged to apply their engineering knowledge and work on projects with other NGOs in South Asia, South-East Asia and Australian Aboriginal communities.</p>
The Fred Hollows Foundation	<p>Young people are involved in various fundraising activities and volunteering. For example, the foundation celebrates the UN's International Day of the World's Indigenous Peoples and as part of its work to empower Indigenous advocates organises a Diplomacy Training Program in remote parts of New South Wales and the Northern Territory to advocate for the rights of their people in health, education and social justice issues (Fred Hollows Foundation 2014a).</p>

Organisation **Sample resources and activities supporting human rights education in schools**

<p>The Global Education (GE) project</p>	<p>The Global Education project worked with Education Services Australia to produce educational resources and teacher support materials around a range of global development issues such as food security, water security, rights for women and social justice. For example, the booklet <i>Global Perspectives: A framework for global education in Australian schools</i> (Commonwealth of Australia 2008) supports the teaching of issues around global citizenship.</p>
<p>Oxfam Australia</p>	<p>Oxfam Australia provides material on human rights issues, including addressing famine and hunger and growing food sustainably through its programs <i>GROW</i> (Oxfam Australia n.d.–c); Indigenous health through the <i>Close the Gap</i> program (Oxfam Australia n.d.–b).</p>
<p>Reconciliation Australia</p>	<p>Reconciliation Australia organises a number of events which seek to engage and educate schoolchildren, such as National Reconciliation Week (Reconciliation Australia n.d.–b). They also provide resources for teachers through the website <i>Narragunawali: Reconciliation in schools and early learning</i> (Reconciliation Australia n.d.–c).</p>
<p>Red Cross</p>	<p>The Young Humanitarians program (Australian Red Cross 2015b) encourages young people to volunteer and participate in Red Cross actions. The Schools Resources site (Australian Red Cross 2015a) provides educators with material to facilitate learning about human rights.</p>
<p>Save the Children</p>	<p>Save the Children aims to ensure school students learn about children’s rights and human rights from their early school years. Their school initiatives include programs exploring child rights, child labour and child soldiers and the Global Peace program (Save the Children n.d.–b) for secondary schools.</p>
<p>World Vision</p>	<p>The Child Sponsorships program (World Vision Australia 2014) encourages young people to make a commitment to financially sponsor a child in a developing country to help meet their basic needs. The Global Leadership Convention designed to inspire and empower senior secondary students to be a voice for justice in the world (World Vision Australia n.d.–b). The Get Connected series (World Vision Australia n.d.–a) provides resources for teaching about issues with water supply, the global food crisis, child rights, migration, climate change, global inequalities, disasters and global citizenship.</p>

Source: Adapted from Torstenson 2014.

Table 2 Government-Supported Organisations

Organisation	Human rights education activities
The Museum of Australian Democracy	The Museum of Australian Democracy is a museum of social and political history (Museum of Australian Democracy n.d.-a) which supports an onsite schools program of visits by Year 5 to 7 students and teaching resources about the development of democracy in Australia with links to History and Civics and Citizenship subjects. Resources include: <i>Who's the Boss: We Can Make a Difference</i> ; <i>Our Voices</i> ; <i>Our Choices</i> ; <i>1975 Prime Minister Dismissed!</i> (Museum of Australian Democracy n.d.-b).
Refugee Council of Australia	The <i>Refugee Week Resource Kit</i> (Refugee Council of Australia n.d.) is a set of background information on refugees, myths and facts about refugees and asylum seekers. Teacher resources are also included.
The State Library of New South Wales	The State Library of New South Wales produces a series of plain language booklets titled <i>Hof Topics</i> (State Library of New South Wales 2015), including issues addressing human rights; for example, <i>International Humanitarian Law</i> (State Library of New South Wales 2012); <i>Refugees</i> (State Library of New South Wales 2011); <i>First Australians</i> (State Library of New South Wales 2013b); and <i>Human Rights</i> (State Library of New South Wales 2013a).
United Nations Global Peace School program	The United Nations Global Peace School program seeks to integrate child rights education, peace building, global awareness and social inclusion concepts across school curriculum (Save the Children n.d.-b). A number of Australian schools have taken part and gained accreditation as a Global Peace Schools. One aspect of the project enables schools to use technologies to link up with other schools internationally, in order to work on issues related to child rights, ending armed conflict and peace building, global awareness, and social inclusion concepts across the curriculum.

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ABOUT THE AUTHORS

SUSAN OGURO is a senior lecturer in the School of International Studies at the University of Technology Sydney. She researches in the areas of International and Intercultural Education, Human Rights Education and Languages Policy and Pedagogy. Email: susan.oguro@uts.edu.au.

NINA BURRIDGE is an associate professor in the School of Education at the University of Technology Sydney. Her main research interests and publications centre on Indigenous Education and Education for Human Rights and Cultural Diversity. Email: Nina.Burrige@uts.edu.au.

Voluntary Financial Reporting Strategies of South Australian Independent Schools

Nicole D. Moschakis, Cate Jerram and Janice Loftus,
The University of Adelaide Business School,
The University of Adelaide

Abstract

This paper reports on the voluntary financial reporting strategies and practices of three independent schools in South Australia, examined through agency theory, stakeholder theory and signalling theory, and informed by Argyris and Schön's theories of action. Insights are gained through the analysis of schools' financial information, interviews and direct observation of meetings. While key finance personnel espouse accountability, compliance and self-promotion as motivations for financial reporting to parents, only the latter two are reflected in the schools' reporting practices. The study develops a model that relates perceptions of parents (as members, owners/stakeholders and customers) to the school's financial reporting strategies.

Keywords

Agency theory; stakeholder theory; signalling theory; theories of action.

Introduction

Activity pertaining to reporting obligations and regulatory reforms in the third sector has increased in recent years (Murray 2014). The regulation of financial reporting in the third sector, including in independent schools, is the subject of ongoing debate.

Australian primary and secondary schooling is provided through government (public) schools, Catholic schools and independent schools. Independent schools represent approximately 10% of all schools operating in Australia (Australian Bureau of Statistics 2014). In aggregate, they receive significant levels of recurrent funding from federal and state governments, totaling \$3.8 billion in 2011–12 (ISCA 2014).

The financial affairs and academic performance of the primary and secondary education sector have come under increased scrutiny with the establishment of the *My School* website by the Australian government in 2010.¹ The website publishes information about the financial and academic performance of individual schools. The financial accountability mechanisms for independent schools reflect the view of the Australian Curriculum Assessment and Reporting Authority (ACARA) that these schools are autonomous and exercise a high level of direct accountability to parents and their communities (ACARA 2011). However, little is known about the financial reporting strategies and practices of independent schools to parents.

Accordingly, the objective of this study is to develop an understanding of the financial reporting strategies and practices of independent schools of South Australia (through an analysis of what, how and why financial information is provided to one of their largest stakeholder groups, the fee-paying parents). The research is undertaken through a case study (Yin 2009).

The voluntary disclosure literature draws on several theories to explain various forms of corporate voluntary reporting (e.g. Chow & Wong-Boren 1987; Eng & Mak 2003). Three theoretical perspectives – agency theory, stakeholder theory and signalling theory – offer potential explanations of voluntary reporting practices of independent schools.

Agency theory, which is often used to explain corporate financial reporting practices, focuses on the separation of ownership and control in large corporations. An agency relationship arises when a person, or group of persons, referred to as the principal, employs the services of another, the agent, to perform some activity on their behalf, thus delegating some decision-making authority to the agent. Agency theory assumes that both parties are utility maximisers, implying that the agent

will not always act in the interests of the principal (Jensen & Meckling 1976). The principal and agent have incentives to incur monitoring costs and bonding costs, which include the production of accounting reports, in order to increase the value of the firm.

While independent schools of South Australia, like most third sector entities, do not have shareholders seeking returns on their investment, agency relationships are present. Through the incorporated association (the school), fee-paying parents (the principals) engage others to use financial and other resources to provide academic education and pastoral care to their children. Agency theory implies that the school's capacity to raise funds, through fees, is reduced by agency costs, which arise from the assumed utility maximisation and the inability of the parents to fully monitor the activities of the school. Accordingly, the school has an incentive to incur bonding costs, such as agreeing to provide financial reports. From an agency theory perspective, we would expect to observe minimal financial reporting to parents undertaken to satisfy contractual obligations.

Second, stakeholder theory is used to explain voluntary reporting, particularly in the social and environmental accounting literature (cf. Roberts 1992; Gray et al. 1995; McMurtrie 2005). The positive, or managerial, strand of stakeholder theory posits that organisations react to the demands of powerful stakeholder groups, who control resources that are essential to the organisation's operations (Freeman & Reed 1983). Stakeholder theory recognises that organisations have more extensive duties of accountability than those strictly required by law (Coule 2015).

From the perspective of stakeholder theory, fee-paying parents may be viewed as powerful stakeholders to whom the school has a duty of accountability. They have the capacity to exert pressure for voluntary financial reporting through their choice over where their children attend the school, and the implication of enrolments for the school's access to funding, both directly (through school fees) and indirectly (as a factor in determining the level of government funding). Stakeholder theory thus provides a potential explanation for financial reporting that goes beyond legal compliance, and provides a complete and unbiased account of the school's financial performance and position.

Finally, voluntary disclosure theory is applied to explain voluntary reporting of financial information, as well as social and environmental reporting in the for-profit sector (cf. Verrecchia 1983; Dye 1985; Clarkson et al. 2011; He & Loftus 2014). The theory draws on the major tenets of signalling theory to suggest that firms are more likely to disclose 'good news' and withhold 'bad news'. Signalling theory has been used to explain engagement in quality certification and accreditation programs in the third sector (Gugerty 2009: 264). The use of financial reporting for self-promotion by charities (Dhanani & Connolly 2012; Ryan & Irvine 2012) is also consistent with signalling theory.

Signalling theory suggests that sellers of higher-quality products have incentives to provide information to distinguish themselves from sellers of lower-quality products (Akerlof 1970). Although originally developed in the context of labour markets, signalling theory is a general phenomenon applicable in markets characterised by information asymmetry (Morris 1987: 48). The theory suggests that entities disclose good news to be seen more favourably than their competitors. Inferior firms provide less information or remain silent, with the 'partial disclosure equilibrium' maintained by proprietary costs (Verrecchia 1983).

The independent schools of South Australia compete in the market for enrolment of pupils and students. From the perspective of signalling theory, parents could be viewed as customers and schools may face incentives to provide good news and withhold information that may be viewed unfavourably by parents. The self-promotion objective suggests the selective inclusion or exclusion of information in financial reports, rather than merely complying with contractual commitments, or providing a complete and unbiased account.

As noted by Baulderstone (2007), differences may arise between the rhetoric espoused by third sector entities and the reality reflected in the observation of their practices. This suggests that it may be necessary to consider both the espoused reasons for voluntary financial reporting practices and the potentially conflicting rationale that might be inferred from observed behaviours. Accordingly, this study adopts Argyris and Schön's theories of action framework, comprising two types of theories of action, espoused theory and theory-in-use. Espoused theories are

those that individuals or organisations claim to follow when they use words to explain their actions, while theories-in-use are inferred from actual behaviours (Argyris & Schön 1974). In applying the theories of action framework, we consider agency theory, stakeholder theory and signalling theory as potentially reflected in the espoused theories and inferred theories-in-use that explain the voluntary reporting practices of each of the three schools.

This study informs the debate about financial reporting regulation in the third sector by providing insights from the perspective of the preparers of financial reports. The analysis reveals differences between the espoused theories and theories-in-use. Drawing on agency theory, stakeholder theory and signalling theory, the study develops a model of the relationship between perceptions of parents, as members, owners/stakeholders and customers, and the schools' motivations for, and strategies employed in, voluntary financial reporting. Notwithstanding the diversity within the third sector, the findings are potentially relevant to other entities that engage in complex relationships with other parties, who may simultaneously be viewed in multiple roles, such as members, owners/stakeholders and customers or beneficiaries.

The next section describes the regulatory background, and this is followed by a review of empirical literature on financial reporting practices of schools and the broader third sector. The fourth section introduces the case and method. The results of the analysis are discussed in the penultimate section, which is followed by concluding comments.

Regulatory Background

Most independent schools in South Australia are incorporated associations. The *Associations Incorporation Act 1985 of SA* (the Act) (s36(1) Regulation 9) requires incorporated associations to lodge an annual return with Consumer and Business Services (CBS). The annual return is available to the public upon request, and includes the annual financial accounts. However, many independent schools in South Australia are exempt from the requirement to provide a financial report in their annual return, following a precedent established when an independent

school was granted an exemption (Minter Ellison 1996: 1). Thus, at the time of the study, independent schools in South Australia were not required to make financial reports available to the public or to parents.

Although the Act includes audit requirements, it does not prescribe the application of Australian Accounting Standards in the preparation of financial reports (CPA Australia 2013). However, an entity will be required to apply Australian Accounting Standards if it classifies itself as a 'reporting entity' (SAC 1, para. 40), or holds out its financial statements (reports), even if voluntary, to be 'general purpose financial statements' (GPFS) (SAC 1, para. 6). Walker (2007) observes that financial accountability within the Australian charity sector is reduced by the practice of self-classification as a non-reporting entity to avoid the application of Australian Accounting Standards.

Literature Review

The only investigation of financial reporting practices of schools in Australia or New Zealand is that by Tooley & Hooks (2010), who find that statutory annual reports of public schools in New Zealand are used for various purposes, including assessing the financial accountability and performance of the school. However, their study does not consider what, how or why financial information is provided. Accordingly, this literature review extends to research that investigates financial reporting practices of the broader third sector.

While mandatory annual reports serve as a formal accountability document, voluntary annual reviews are prepared primarily for publicity purposes by large charities in the United Kingdom (Dhanani & Connolly 2012). Similarly, the financial reporting on expenditures of Australian charitable entities is indicative of self-promotion reporting strategies, rather than of transparency and accountability (Ryan & Irvine 2012: 364).

The financial reporting practices of charities and non-government organisations (NGOs) have been explained as a response to stakeholder pressures. For instance, Dhanani & Connolly (2012) interpret charities' use of the annual review to portray themselves favourably as reflecting a legitimisation strategy with regard to key stakeholders, such as donors.

The managerial stakeholder perspective can manifest in different reporting strategies, reflecting conflicting demands for accountability from different stakeholders. Assad & Goddard (2010) observe that the accounting practices and processes of Tanzanian NGOs are a response to stakeholder salience, driven by the legitimacy and urgency of their claims.

Alternatively, voluntary financial reporting in the third sector may be explained by economic theory, in terms of agency problems and information asymmetry (Behn et al. 2010). Large third sector entities that allowed the researchers access to their financial statements had more debt and higher contribution ratios (reflecting greater dependence on creditors and donors) and higher expense ratios (indicative of agency costs) than those that declined or did not respond (Behn et al. 2010). However, the distinction is difficult to interpret as the disclosure was upon request from the researchers, rather than reporting to stakeholders or the public.

Case and Method

The research involves a case study (Yin 2009) of three independent South Australian schools. As the collection of case study data is time-consuming and often yields too much data for easy analysis (Hodkinson & Hodkinson 2001), this study focuses on three participating schools to facilitate in-depth analysis of data from multiple sources for each school. While we may not be able to generalise from a case study, it can bring existing theories together with realities, generating 'new thinking and new ideas' (Hodkinson & Hodkinson 2001: 7).

The data collection was undertaken in 2009, prior to the introduction of public access to certain financial information reported by schools to the ACARA. Invitations to participate were sent to 76 member schools of the Association of Independent Schools of South Australia. Thirteen schools responded, consistent with the response rate among schools observed in previous research (Lyons 2001: 47). The three schools that agreed to participate provide diversity in terms of size, age, religious affiliation and the extent of reliance on parents' fees (either high-fee

or low-fee schools). Government funding varies considerably between schools because it is based on schools' socio-economic status scores, derived by linking students' residential addresses to national census data.

The participating schools' characteristics are provided in aggregate, with some characteristics suppressed to maintain confidentiality. The three schools are registered as incorporated associations and are recognised as prescribed associations. Each is located in metropolitan Adelaide, and offers education from Reception (Kindergarten) to Year 12 to more than 600 students. They are a mix of low-fee and high-fee, systemic² and non-systemic schools, with different denominational and religious affiliations. The schools are referred to as School 1, School 2 and School 3.

Data were collected by interviews, documentation and direct observation. Two face-to-face semi-structured interviews were held over one year with the key member of staff responsible for the preparation and dissemination of financial information at each school. Interviewees 1, 2 and 3 held senior accounting positions at Schools 1, 2 and 3, respectively. Each interviewee was a member of a professional body with at least nine years of experience in his/her current role. Open-ended questions were used to elicit participants' perceptions of what financial information was provided to parents, how it was disclosed and why, with specific questions pertaining to each school's financial reporting strategies and practices. Documentation was primarily provided by the schools and included financial reports, constitutions, prospectuses, newsletters and the reports provided at the previous annual general meetings (AGM). The AGMs of two schools were directly observed by one of the researchers.

Data analysis was iterative and followed the analytic approach as described by Miles & Huberman (1994). Data collected from interviews, documentation and direct observation was reduced into summaries and themes, filtered through theoretical lenses (discussed in the next section), and organised using tables and figures to facilitate validation of the qualitative analysis. Conclusions were drawn and their validity assessed.

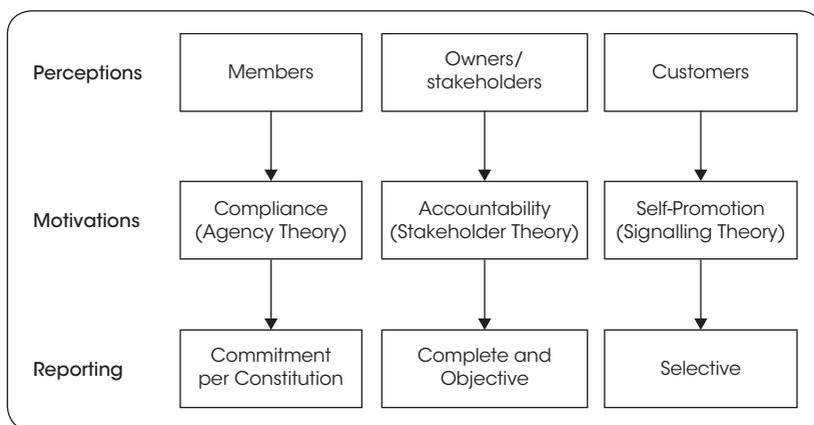
Results and Discussion

Insights into the schools' espoused reasons for providing financial information to parents were obtained from interviews, and theories-in-use were inferred from analysis of what and how financial information was provided to parents. The espoused theories were compared and contrasted with the inferred theories-in-use for each school.

Espoused Theories for Voluntarily Reporting to Parents

The interviewees at each school identified multiple objectives of reporting financial information to parents. Three common motivations emerged, each linked to whether the parents were perceived as members, owner/stakeholders or customers. The model of the relationship between perceptions, motivations and reporting strategy is depicted in Figure 1.

Figure 1 PMR Model: Relationships between the perceptions, motivations and financial reporting



Members

Parents were described as ‘members’ under the constitutions of the three schools. This is not mandatory, and not all independent schools in South Australia consider parents members. For example, another South Australian school confined membership to school councillors.

Each school’s constitution delegated decision-making powers to the school’s management. The interviewee at each school believed their school’s constitution obligated the school to provide financial reports to parents. The constitution of School 2 explicitly required the presentation of financial reports to members at the AGM. School 3’s constitution provided for the school’s accounts to be subject to the scrutiny of the finance committee and the board, but was silent on whether they should be presented at the AGM or distributed to parents. The only requirement under School 1’s constitution was to hold an AGM, which Interviewee 1 interpreted as inclusive of a requirement to provide a financial report.

Owners/stakeholders

To varying degrees, the respondents for each school also viewed parents as powerful stakeholders who had a vested interest in the school and a capacity to influence its survival. Consistent with a stakeholder perspective, Interviewee 1 described the school as ‘effectively owned by parents’, emphasising that parents and the government were ‘the only people who we really are accountable to’, and acknowledging the school’s dependency on parents and the government for its survival. Interviewee 3 identified parents as the most important stakeholder group: ‘I think, physically, on a day-to-day basis, the parents are the ones.’ Similarly, Interviewee 2 stated: ‘[Parents] are entitled to hear the reports from the Chairman and the [principal] . . . about what has happened during the last year,’ reflecting a sense of accountability independent of contractual obligations.

Customers

The third motivation for financial disclosures to fee-paying parents was self-promotion, emanating from the perception of parents as customers by two of the three schools. The interviewees at these two schools explicitly indicated that the financial reports were used as a means of self-promotion or signalling good news to fee-paying parents. Interviewee 3 explained that School 3 ‘has nothing to hide, and . . . [is] probably quite happy to share it really because they are quite strong figures’. Similarly, Interviewee 1 stated: ‘We don’t have anything to hide – I mean, there’s nothing wrong with the accounts.’

Theories-in-use for Voluntarily Reporting to Parents

The observed reporting practices form the basis of inferred theories-in-use. Table 1 lists the reports provided to parents by each school, while Table 2 shows the information included in the AGM reports.

Schools 1 and 3 presented annual financial reports at their AGMs; these comprised the income statement, balance sheet, cash flow statement, statement of changes in equity, notes to the financial statements,³ a detailed statement of income and expenditure, a narrative report from the school council and an auditor’s report. The same annual financial report was included in their respective annual returns submitted to CBS, which are available to the public.

In contrast, School 2 presented an abridged annual financial report, excluding notes to the financial statements, at its AGM, with a full annual financial report available to parents upon request. Neither the full nor the abridged financial report was included in the annual return submitted to CBS.

The Reporting Entity Concept and General Purpose Financial Statements

While the constitutions of the three schools included the requirement to appoint an auditor, they neither specified the scope of the explicit or implicit requirement to prepare a financial report, nor stated any

Table 1 Reports provided to parents

Format	School 1	School 2	School 3
Consumer & Business Services (CBS) periodic return (available upon request)	18-page financial report + Audit Report	Audit report only (No financial report)	23-page financial report + Audit report
AGM report	26 pages	29 pages	60 pages
Comprehensive financial report	18 pages	None (5-page abridged financial report previously mailed out)	23 pages
Treasurer's Report	1 page	Oral presentation only	1 page
Graphs	4 graphs on 1 page	5 graphs presented on overhead projections only	None
Annual report	Academic, sporting, cultural and social achievements only	Academic, sporting, cultural and social achievements only	Academic, sporting, cultural and social achievements only
Parents' info kit	No financial information	School fees and uniform price list	No financial information
School foundation report	Financial members (donors) only	Financial members (donors) only	Not applicable
Yearbook	Fundraising targets	Fundraising targets	No financial information
Weekly newsletters	Fundraising targets	Fundraising targets	Fundraising targets
Quarterly newsletters	No financial information	No financial information	No financial information
Letters to parents	School fees	School fees and capital projects and capital government grants	School fees and capital projects and capital government grants
Prospectus	School fees	School fees and uniform price list	School fees

Table 2 Financial disclosures provided within the AGM report

Item	School 1	School 2	School 3
Special purpose financial report	✓	Unable to ascertain	✓
Income statement	✓	✓	✓
Balance sheet	✓	✓	✓
Cash flow statement	✓	✓	✓
Statement of recognised income and expense	✓	✓	✓
Notes to the financial statements	✓	X	✓
		Only upon request	
Capital expenditure statement	X	✓	X
Statement of changes in equity	✓	X	✓
Council's report	✓	✓	✓
Council chair's report	✓	X	✓
Finance committee/treasurer's report	✓	✓	✓
Principal's report	✓	✓	✓
Secretary's report	X	X	✓
Auditor's report	✓	✓	✓
Graphs	✓	✓	X

requirement to apply accounting standards. As shown in Table 2, the financial reports of both Schools 1 and 3 included an explicit statement that the school was not a reporting entity, and that the report was a special purpose financial statement (SPFS), as opposed to a GPFS. The classification of School 2 and the type of report it presented could not be confirmed because the researchers were denied access to the full financial report.

Both Schools 1 and 3 avoided classification as a reporting entity. Interviewee 1 explained that School 1 did so to avoid having to comply with all Australian Accounting Standards, stating that School 1 did not wish to disclose remuneration paid to key management personnel, which would have been required under AASB 124 *Related Party Disclosures*. Interviewee 3 stated that School 3 preferred more discretion over which standards were applied in its financial statements. Thus, Schools 1 and 3 used classification as a non-reporting entity and declarations that their reports were not GPFS to maintain more control over the extent of financial information disclosed in the reports that were made available to parents.

Accessibility

Parents are able to access the annual return lodged with CBS, unless the school has exercised the exemption. Interviewee 2 stated that School 2 is one of many independent schools that take advantage of the exemption, and that the school has not provided a financial report in its annual return since being granted the exemption. Interviewee 2 explained that the school exercised the exemption to avoid making the financial report publicly available, rather than to deny parents access to financial information, exclaiming there were ‘more copies of our accounts floating around in different government bodies than you could shake a stick at . . . but what’s the value in having our accounts accessible to the public?’ The decision to provide an abridged report to parents for the AGM was made jointly by Interviewee 2 and the principal of School 2. However, no explanation was offered for the limited level of financial disclosure to parents.

Neither School 1 nor School 3 applied the exemption. Both schools included a financial report in their annual return to CBS, and provided the same financial report to parents. Interviewee 1 was unaware of the exemption and stated: ‘We do report to the [Consumer and Business Services] . . . because we’re a prescribed organisation.’ Interviewee 3 was aware of the exemption but was unsure whether School 3 was exempt. The exemption was not seen as an issue because the school intended to disclose financial information as it had always done. Interviewees 1 and 3 seemed satisfied that the provision of special purpose financial reports discharged the school’s accountability to parents, notwithstanding the limited scope and detail of the financial information contained therein.

Distribution of Financial Information to Parents

The communication strategies adopted by each school played an important role in facilitating or inhibiting parents’ access to financial information. School 2 provided more access to an abridged four-page financial report by mailing it to all members of the school, prior to the AGM. Interviewee 2 stated that the full report was available to members only upon request. However, the communication to parents about the AGM made no mention of the full report. Observation of the AGM revealed that only a small number of copies of the full report were brought to the meeting, and no announcement was made about its availability. Thus, the parents attending the AGM were not made aware of the opportunity to access the full financial report.

School 1 had recently replaced its printed weekly newsletter with an electronic newsletter. Parents were informed about the AGM through notices in the weekly newsletter, which also advised that the financial reports were available from the office, upon request, prior to the AGM. The financial reports were also distributed at the AGM. Interviewee 1 explained that the financial report was not mailed out to parents out of concerns that those with limited financial literacy may misinterpret, or be confused by, its contents.

School 3 notified parents about the AGM in its weekly newsletter and also on its website, but did not advise parents that the financial report

Table 3 How the schools distributed financial information to parents

Method	School 1	School 2	School 3
AGM notice and agenda			
By mail	X	✓	X
By email	✓ via link to e-newsletter	X	X
By weekly newsletter	✓ e-newsletter	✓	✓
School calendar	✓	✓	✓
School website	X	✓	✓
AGM report (Including financial statements)			
By mail	X On request only	✓	X On request only
By email	✓ On request only	X	X
School website (public)	X	X	✓ Agenda only
Annual general meeting	✓	X	✓

was available prior to the AGM. The financial report was distributed at the AGM. Interviewee 3 did not explain why the school did not post financial reports to parents, stating only: ‘It’s not a financial reason; it’s just something that was never done.’

In summary, School 2 provided all parents with some financial information by mailing an abridged report to them, but provided no effective access to the full report. While Schools 1 and 3 provided more comprehensive information, parents did not receive it unless they attended the AGM or, in the case of School 1, requested it from the office. While compliant with reporting obligations to members, the limited distribution of the financial reports is not consistent with the objectives of self-promotion to parents as customers espoused by Schools 1 and 3. Similarly, the espoused objective of accountability was not reflected in the limited distribution of financial reports by the three schools.

Comparison of Espoused Theories and Theories-in-use of the Schools

As shown in Table 4, all schools espoused theories of compliance and accountability to explain their motivation for providing financial information to parents. Two schools also espoused self-promotion objectives of providing financial information to parents. Table 4 also shows the theories-in-use inferred from the actions of the schools.

Table 4 Comparison of espoused theories with theories-in-use

	Compliance with obligations to members		Accountability to owners/stakeholders		Self-promotion to customers	
	Espoused theory	Theory-in-use	Espoused theory	Theory-in-use	Espoused theory	Theory-in-use
School 1	Yes	Yes	Yes	No	Yes	Partly
School 2	Yes	Yes	Yes	No	No	No
School 3	Yes	Yes	Yes	No	Yes	Partly

Agency theory suggests a minimal approach to financial reporting to members, in accordance with their constitutions. This approach is inferred from the actions of all three schools. By exercising the exemption, School 2 avoided making its full financial report publicly available. While the full report was brought to the AGM, in compliance with School 2's constitution, no action was taken to provide it to parents, who received only an abridged report. Although Schools 1 and 3 did not utilise the exemption, their reliance on the non-reporting entity classification and the specification that their financial reports were SPFS for the explicit purposes of limiting or avoiding the application of accounting standards is consistent with a minimal approach to financial reporting to parents. Further, School 3 did not communicate any means of access to the financial report to parents who did not attend the AGM.

Stakeholder theory suggests that the schools may voluntarily provide financial information to discharge their accountability to parents as influential stakeholders. However, the schools' espoused accountability motivations for financial reporting were not reflected in their actions, such as avoiding the disclosure requirements imposed by Australian Accounting Standards (Schools 1 and 3) and not providing access to the full report (School 2).

Signalling theory suggests the selective inclusion or exclusion of financial information in reporting to parents as customers. The actions of Schools 1 and 3 were partially consistent with their espoused theory of self-promotion, in that both schools used classification as a non-reporting entity and SPFS to maintain control over what was disclosed. In particular, School 1 avoided disclosing sensitive information about the remuneration paid to management personnel, which might be viewed unfavourably by parents. However, self-promotion was not reflected in the accessibility of the reports and the method of distribution. School 3 restricted access to the reports to those parents attending the AGM; and the change to electronic communication by School 1 may have reduced awareness of the availability of the report before the AGM.

School 2 did not effectively make its full financial report available to parents, which is inconsistent with its use for self-promotion. Without access to the full financial report, we are unable to ascertain the

selectivity of information included in or excluded from the abridged financial report provided to parents. There was no evidence that School 2 espoused self-promotion as a motivation for voluntary financial reporting, nor could this motivation be inferred from its financial reporting practices.

Conclusion

This paper reports on a case study of voluntary financial reporting to parents by three independent schools. Multiple motivations for financial reporting were apparent from discussions with key personnel at each school: compliance with contractual obligations; accountability; and self-promotion. The multiple motivations for financial reporting are attributed to different perceptions of parents, as members, owners and customers. A model is developed that articulates the relationship between perceptions of parents, the motivation for reporting, and the implication of each motivation for the financial reporting strategies.

The compliance approach is based on agency theory, in which the parents are viewed as the principals (members) to whom the school's management is obligated to report by the school's constitution. The perception of the parents as members of the school is linked with the motivation of contractual compliance, which manifests in a minimal approach to financial reporting. The three schools' espoused motivations for reporting included compliance with contractual obligations. The compliance objective was also inferred from the reporting practices of the three schools.

The accountability rationale for voluntary financial reporting is underpinned by the perception of parents as owners – powerful stakeholders on whom the school is dependent for its survival. Complete and unbiased reporting would be consistent with the accountability motivation. The schools' espoused accountability to parents as owners was not apparent from their reporting practices.

The third motivation for providing financial reports is self-promotion (signalling theory), underpinned by the perception of the parents as customers. This motivation manifests in the selective inclusion or

exclusion of information in reporting to parents. Respondents for two of the three schools espoused self-promotion as a motivation. However, while promoting the school to parents was reflected in the schools' strategies to maintain control over the scope of information reported, their limited efforts to make their financial reports readily available to parents was inconsistent with self-promotion.

Notwithstanding multiple data sources, we were unable to access the full financial report of one of the schools. Further, there was only one senior member of staff responsible for the preparation and dissemination of financial reports at each school. This potential bias limits the inferences that are made.

The results of this study can inform regulators and other participants in the debate regarding financial reporting regulation in the third sector by providing insights from the preparers' perspective. Through an examination of what, how and why independent schools report in the absence of regulation, we reveal some of the complexity that can surround voluntary financial reporting in the third sector.

We have demonstrated that the theoretical understanding of voluntary reporting practices of third sector entities can be complicated by their tendency to simultaneously adopt multiple perceptions of the parties to whom they report. Different motivations for reporting can lead to different and, in some instances, conflicting reporting strategies, such as selectively reporting for self-promotion, and providing complete and unbiased information for accountability purposes.

We demonstrate the usefulness of Argyris and Schön's theories of action to facilitate a richer understanding of voluntary financial reporting. The apparent limited alignment of the espoused motivations for reporting to parents and observed reporting practices suggests that the independent schools may need to reconsider the effectiveness of their financial reporting choices, and their processes of communication and distribution.

The model of the relationships between perceptions, motivations and financial reporting strategies is developed from a case study of independent schools. Further research is needed to investigate the

application of the model to educational and other third sector entities, such as sporting associations, charities and religious organisations.

NOTES

1. While all independent schools are required to provide financial information and to report on academic performance to government bodies (Wilkinson et al. 2007; Gurd 2013), schools' financial information was not released to the public by regulatory authorities prior to the establishment of the *My School* website.
2. A systemic school is one of a group of schools falling under the legal jurisdiction of a church and administered by a central body.
3. As explained below, the extent of detail and disclosure in the notes to the financial statements is significantly less than would have been required had the schools prepared GPFS.

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ABOUT THE AUTHORS

NICOLE D. MOSCHAKIS is an associate lecturer and PhD candidate at the University of Adelaide Business School. She teaches financial accounting and management accounting at both undergraduate and postgraduate levels. She is also a learning facilitator for the New Tutor Induction Workshop for the Business School, and assists the primary educator in the use of NVivo software for the Adelaide Graduate Centre. Her research interests are the accountability and transparency of the third sector. Her PhD research project investigates the impact of the recent Australian regulatory reforms on the reporting practices of charities. Email: nicole.moschakis@adelaide.edu.au.

CATE JERRAM is Director of the Information Systems Research (ISR) team at the University of Adelaide, and co-leader of the research collaboration Human Aspects of Cyber Security (HACS) with co-researchers in the Defence Science and Technology (DST) Group (formerly DSTO). She designed and is Lecturer-in-Charge for the Qualitative Methods course for higher degree research students and the Business Research Methods course for all postgraduate students in the Business School, and is also the primary educator in the use of NVivo to support research for the University of Adelaide and the Adelaide Graduate Centre. Email: cate.jerram@adelaide.edu.au.

JANICE LOFTUS is an associate professor in accounting at the University of Adelaide, where she teaches accounting theory in undergraduate and honours/postgraduate programmes. Janice is also the director of postgraduate programmes in accounting. Her research interests are in financial, social and environmental reporting. Janice has published in numerous academic and professional journals. She has co-authored several textbooks in accounting and an accounting research monograph. Janice is a fellow of CPA Australia. Email: janice.loftus@adelaide.edu.au.

Eco-social Capital: A proposal for exploring the development of cohesiveness in environmental volunteer groups

Rafiq Huq and Shelley Burgin, School of Science and Health, Western Sydney University

Abstract

Australians have a legacy of volunteering. Since the late 1960s, individuals have increasingly coalesced into environmental volunteering groups, typically focused on creating awareness of the natural environment's fragility. Environmental volunteering programs provide effective tools for community engagement, although their outcomes are not clearly understood. Most appear to oscillate between economic and ecological capital, with societal impacts largely ignored. We propose that eco-social capital that develops within groups result in social networks with a sense of place and ecological identity. Networks develop trust and reciprocal relationships within/among similar networks, and they connect through social-ties, such as bonding, bridging and linking, to generate eco-social capital that contributes to sustainable communities. However, to progress the concept will require further conceptualisation of the societal impact of environmental volunteerism, and the resultant direction of this impact on communities. There is also a need to seek to articulate the place of eco-social capital within ecological sustainable management.

Keywords

Volunteer environment; social impacts; sense of place; ecological identity; ecological social capital

Introduction

In discussing environmental planning, Selman (2001: 15) suggested that the popular view was that 'widespread and spontaneous participation will only occur where deep reservoirs of social capital exist'. In contrast, we suggest that social capital can be created or strengthened in environmental volunteer groups, and this may culminate in the development of 'eco-social capital'.

In this paper we use an Australian historical perspective to develop the concept of 'eco-social capital'. We begin with the extremes in the perception of 'land' between Indigenous and non-Indigenous Australians at first interaction, and follow the gradual change in European perception of the environment. Over time the perceptions of non-Indigenous Australians has morphed into environmental volunteerism, which ultimately fostered a 'sense of place' and 'ecological identity'. We then discuss the concept of 'social capital', before these concepts are combined to propose that 'eco-social capital' has evolved from 'environmental volunteerism'. Finally, we suggest the next steps in the development of the concept of eco-social capital.

'Care for Country'

Among Indigenous Australians, 'land' represents the foundation of culture and spirituality. Traditionally, these peoples have lived embedded in nature and as an intrinsic part of it. The concept of 'country' is the framework of this belief, their ancestral connectedness and the underpinning of their existence. To these Indigenous peoples, 'country' means origin, but it is more than simply geographical space. It encompasses the values, places, resources, stories and cultural obligations that they associate with such space (Yencken & Wilkinson 2000).

By contrast with Indigenous Australians, this ancestral connectedness with country has not been the paradigm for other Australians. The initial focus of European explorers was to identify 'new land' and to obtain it on behalf of others, even if the land was not considered to have value. However, early European settlers soon realised the potential of

these lands as a passport to social worth and wealth (Vandenbeld 1988), although the concept of its conservation apparently did not commence until the mid-nineteenth century (Mosley 1989; Sellars 1997; Margules & Pressey 2000). This is evidenced by the standing instructions to the Crown Land Department survey officers, who, as part of their duties, were required to identify scenic landscapes and to recommend reserves so that the public interest would be protected under the *Public Park Act* of 1854 (Mosley 1989).

Environmental Volunteerism

Environmental volunteerism apparently commenced with the conservation of such lands for public interest. For example, in the 1860s, Australian Colonial Press popularised the ideas of the American writer and naturalist George Marsh. He challenged the dominant role of humanity over the natural world, and expressed concern about the environmental damage caused by forest clearing. This concept was strongly supported by contemporary intellectuals, and subsequently a new generation of naturalists emerged in Australian colonial communities (Sorrenson 1996; Raj 2000; Worboys et al. 2001; Lumley & Armstrong 2004).

Natural history societies were established in most states of Australia by the 1880s (Meacham 2007). These included the Philosophical Society of Australasia (1821), which remains contemporary as the Royal Society of New South Wales. The Entomological Society (1873) also changed direction, ultimately being absorbed into the Linnean Society (Augee 2010). In 1879 the Zoological Society was introduced to obtain and release non-native species. Its emphasis later shifted to the establishment of a zoo (at Moore Park, Sydney), which subsequently was morphed into Taronga Zoo. More recently, the primary focus of the Royal Zoological Society of New South Wales has been on native animals and their environments (Strahan 1992; RZS 2015). Each of these societies, run by volunteers, ultimately had the self-imposed mandate to investigate the natural environment from a scientific view (Meacham 2007). This led to the development, and parallel successes, of the conservation movement

in the late nineteenth and early twentieth centuries. Milestones included the first legislation to protect native fauna in Tasmania (1860), the protection of Jenolan Caves (New South Wales) as a water reservoir (1866), the establishment of Royal National Park (near Sydney, 1879), the construction of walking tracks and accommodation around significant natural features in Tasmania (1912), and the establishment of the Mountain Trail Club of Myles Dunphy (1914). These successes were followed by the establishment of other bushwalking clubs by the 1920s. Walking activities became increasingly popular and were the nucleus of the voluntary conservation movement in Australia. For example, the creation of the National Parks Association of New South Wales in 1957 provided Australian conservationists with a model to advance from isolated lobby groups to more effective and diverse activities, in part focused on educating the broader community (Worboys et al. 2001). These activities have, in turn, supported the formation of institutional environmental volunteering.

Since the late 1960s, individuals within the community have increasingly coalesced into environmental volunteering groups, typically with a focus of creating awareness of the fragility of the natural environment (Oppenheimer 2009). The associated activities have included the systematic restoration of urban bushland, which was popularly conceptualised as Bushland Regeneration on Sydney's North Shore during the early 1970s using techniques developed by the Bradley sisters (Buchanan 1994). Similar methods had been previously introduced by the assayer and botanist Albert Morris in the 1930s. Morris used indigenous plants to develop a 'green belt' to protect Broken Hill (New South Wales) from soil-erosion and sand drifting (Kennedy 1986; Meacham 2007).

By the 1980s, with the increasing engagement of volunteers in ecological restoration on public lands across Sydney's North Shore, local governments began to develop environmental volunteering programs. For example, in 1989 Ku-ring-gai Council invited local communities to form volunteer groups (AABR 2010), and subsequently the term 'Bushcare' was introduced in the early 1990s (Park 2007). Since that time, 'Bushcare' has become the common descriptor of environmental

volunteering programs in Australia's urban/peri-urban areas. These groups have typically continued to be supported by local government. The bush-regeneration concept of the Bradley sisters (see Bradley 1988) has also matured, and over time Bushcare has come to encompass a range of activities, from holistic ecosystem restoration to environmental education focusing on urban sustainability. Over the last two decades Bushcare has become more sophisticated, with many volunteers now working on ecological issues. For example, in addition to flora and fauna management, stormwater management, erosion control, education and environmental monitoring may be undertaken by environmental volunteers (AABR 2010).

Momentum was subsequently provided to the expanding environmental volunteer movement in 1989, with the federal government's introduction of the Landcare Program (DAFF/DWPC 2008), with substantial funding through the National Landcare Program (Lockie & Vanclay 1997). Subsequently, Landcare has provided a nationwide formal platform for environmental volunteering for natural resource management both in rural and urban areas. The federal government funding also underpinned the strengthening of state initiatives, such as the *Catchment Management Act 1989*, which was implemented in New South Wales in 1989 (Burgin 2002; Lunney et al. 2002). The ecological identity engendered by the engagement in ecological volunteering encouraged by such initiatives as Landcare have also supported the development (or a deeper development) of a 'sense of place' in many Australians (Carr 1995; Broderick 2005; Woodhill 2010).

A 'Sense of Place' and 'Ecological Identity'

One of the principal motivations behind environmental volunteering is the desire to care for a particular place (Measham & Barnett 2007). Humans develop a strong attachment to their settings through emotions and personal experiences. Over their life they explore their surroundings, enjoy them, blend their intrinsic features with their personal memories and tend to resist their change. Mackay (2005: 1) suggested that this was because of 'the powerful sense of that place – the look of it, the feel of it,

the smell of it' that stir emotions in the individual (positive and negative) that are accessible from memory alone. This 'sense of place' is one of the characteristics that have been similarly displayed by individuals as 'local identity'. Such 'sense of place' encompasses the sense of belonging and connectedness to a specific ecological context, and may be the driving force for environmental volunteering. This human dynamic of sense of place has three variables: 1) legibility – a sense of the familiar; 2) perception preference for the visual environment – the 'mystery'; and 3) compatibility between person and setting (Kaplan et al. 1972).

Commenting on environmental volunteers, Gooch (2002) reported that both a sense of place and the development of 'an ecological identity' can be strong motivators that underpin sustained volunteer commitment. James (2001) considered that the development of motivation occurred gradually and spontaneously by living in a particular landscape and accruing history within its confines. In the words of Suzuki (2008):

. . . we learn to see the world through perceptual lenses formed by heredity, upbringing, personal experiences, religion, socio-economic differences, and so on. Even though we detect our surroundings in the same way through eyes, ears, nose, skin, and tongue; our brains actively filter that incoming information so that it 'makes sense' according to our individual values and beliefs.

As a consequence of developing such environmental awareness, obtaining an understanding of natural settings and instilling such ideas of valuing the components of ecosystems are necessary to achieve a generic sense of rationality in societal perspectives, which may ultimately evolve into a sense of place. This is the common ground for the differences among societies. Such sense of place is largely developed around natural features, patterns of human settlement and social relationships. It is determined only by local knowledge and is embodied in folklore, personal narratives and oral history (James 2001). Christie (2004) provided an example of the difference in perceptions between environmental volunteers and the supervising project staff which illustrates this concept of sense of place. While staff of a natural resources restoration project focused

on the benefits derived from revegetation in an area (e.g. reduction in salinity, soil erosion, habitat restoration), volunteers perceived the beneficial outcomes of their efforts to be additional vegetation in the landscape (i.e. restoration of the landscape to its 'natural' state; Christie 2004). In this study it was observed that exchange of views, ideas and knowledge, shared works and networking with like-minded fellow volunteers enhanced the motivational process and their sense of place. It also led to a sense of the worth of their work, and progressed through the development of a sense of satisfaction to altruism. This ultimately led to a stronger commitment that drove individual motivation to sustain and contribute further.

Gooch (2002) suggested that the sense of place that is associated with environmental volunteers leads to the development of an 'ecological identity', which Thomashow (2002: 3) defined as referring to 'all the different ways people construe themselves in relationship to the earth as manifested in personality, values, actions, and sense of self', and suggested that it included the interpretation of life's experience as it transcends social and cultural interactions. In addition, he suggested that it included a person's connection to the earth, perception of the ecosystem and direct experience of nature. This sense of self also acts with settings or nature and results in the development of an ecological sense of self. Similarly, the Norwegian philosopher Arne Naess (1995) considered that an individual's ecological self encompasses that with which they identify. This concept was described by Wilson (1996) as a sense of self in relation to the natural world, and he considered that this determined an individual's ecological identity. In development of the concept of Naess (1995), and why ecological identity is important, Thomashow (2002) suggested that it was the personal introspection that drives one's commitment to environmentalism, which he considered could be referred to as the unfolding, evolving, active development of an ecological world view, a perspective that is at once dynamic, diverse and radical. It was considered to represent the ideas, people and actions that constitute a social and intellectual movement. In this context, an ecological identify is the outcome of perfecting a sense of place. Such ecological identity is often argued to be the gateway to the world of 'deep

ecology' and a new form of identity politics, which also has the potential to generate radical views of 'nativist' and nationalism through the acts of ecological restoration (Light 2000). We propose that this ecological sense of place constitutes a form of social capital: eco-social capital.

Social Capital

The term 'social capital' was introduced to the literature in 1916 by Hanifan. He promoted the values of social relations and social interactions separately from the traditional concept of the capital of individual human societies. He said that his use of the term did not include its accepted use, except in the figurative sense. Personal possessions (e.g. real estate, money) were not included in the Hanifan (1916) definition. He, instead, considered the term to refer to those attributes (e.g. goodwill, fellowship, mutual sympathy, social intercourse) that made the tangible count in life for most individuals and families that make up a social group. Since the views of Hanifan were introduced, the concept of social capital has become widely acknowledged.

A more contemporary definition of the term 'social capital' was provided by Fukuyama (1999). He described social capital as a set of informal values or norms shared among members of a group that permits cooperation among them. He also suggested that if group members believe that others would behave reliably and honestly, they would tend to trust one another. From the applied view, social capital can therefore be denoted as the set of norms, networks and organisations through which people gain access to power and resources, and through which decision-making and policy formulation occurs (Dale 2005). Hence measures of social capital provide additional perspectives to the socio-economic social indicators of a functioning society (Cox 2002).

The importance of measuring social capital has been promoted by various authors, including Putnam (1995), Onyx and Bullen (2000), Narayan and Cassidy (2001) and Cox (2007). For example, Cox (2007) considered that social capital could be a diagnostic tool used to identify how different types of social networks produce desirable (or negative) outcomes. Accordingly, social capital processes underpin working

collaboratively and with respect for each other's values and differences. It also implies that disputes are resolved civilly, with the recognition and acceptance of the existence of different interests within a framework which takes account of the common good and not just sectional interests. A key component of social capital is to recognise that building trust requires fairness and equity to all involved, and that prejudice and exploitation are negatively correlated with the positive attributes of social capital (Cox 2002).

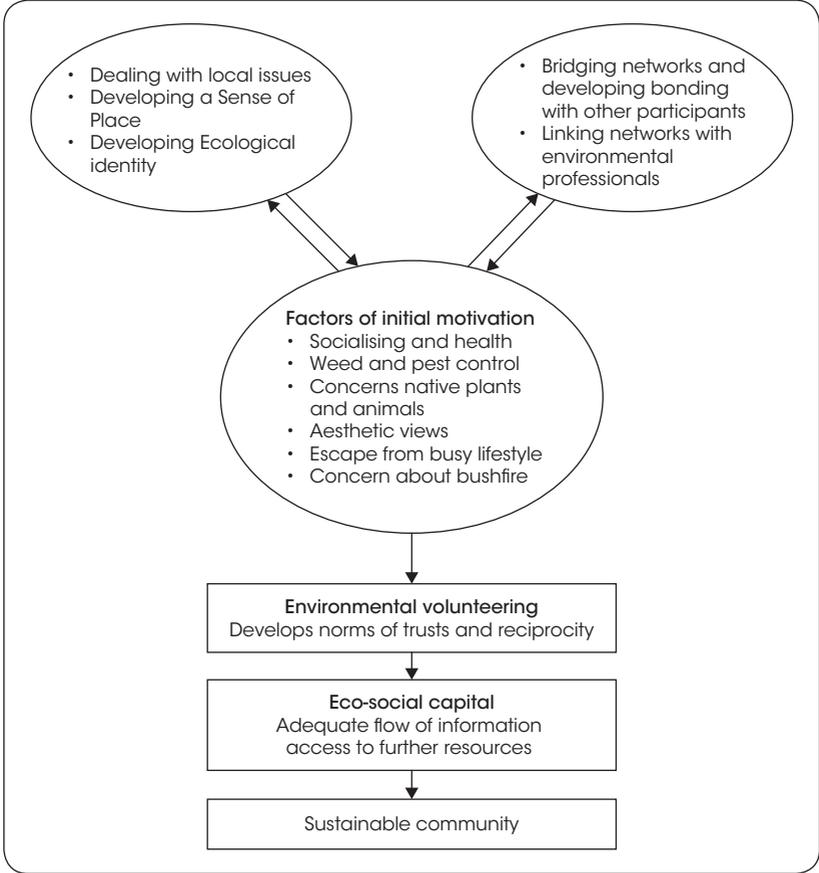
Increasingly, there has been the acceptance of a positive link between social capital and sustainable communities, where a sustainable community can be defined as the:

. . . places where people want to live and work, now and in the future, they meet the diverse needs of existing and future residents, are sensitive to their environment, and contribute to a high quality of life. They are safe and inclusive, well planned, built and run and offer equality of opportunity and goods services for all (CLGUK 2009 p. 1).

One of the prominent authors on social capital, Putnam (1995), suggested that social capital referred to the active connections and attendant norms of trust. This ultimately benefits individuals and their community and, in some forms, may influence civic ends. Onyx and Leonard (2002) suggested that the capacity-building blocks of social capital were 'trust', 'social agency', 'tolerance of diversity' and 'value of life'. These underlying attributes of social capital collectively redirect other capitals towards the sustainable use of resources and ultimately to sustainable community development (see Figure 1).

Dale (2005) suggested that the six steps to sustainable community development (empowerment, relationship, connection, reciprocity, communication, deliberative dialogues) can be considered as the building blocks of sustainable community development. While he depicted these as a series of sequential steps on a graph, they may not always be a linear sequence, since, depending on access to power and resources available to communities, some attributes may be achieved simultaneously. However, since individuals require freedom and power to develop a sense of

Figure 1 Diagram to depict ecological motivations that may generate ecological social capital (eco-social capital) which contributes towards sustainable community development.



emotional or intellectual engagement, empowerment is necessarily the first step required to initiate this process. Hence, it is the most crucial step into generating social capital, as a step towards generating eco-social capital. We believe that environmental volunteering precisely initiates actions to achieve sustainable community development.

How These Concepts Can Combine

Measham and Barnett (2007) revealed that Australian environmental volunteers possess six principal motivations: i) helping a cause; ii) social interaction; iii) improving skills; iv) learning about environment; v) general desire to care for the environment; and vi) desire to care for a particular place. These motivations demonstrate that environmental volunteers seek to develop relationships with fellow volunteers, and possess or develop a sense of belonging to a particular setting, a place or a cause. Consequently, they develop (or enhance) social relationships, group cohesion and networks. These attributes may even be recognised as more valuable than the voluntary work undertaken. Previous studies (e.g. Mayer 2003) have also revealed that a society with voluntary participation, operating perhaps through such connections as elevated levels of trust and civic engagement (i.e. social capital), extends well beyond the direct value of the work performed by the volunteers. However, there is difficulty with the conceptualisation of such societal impact of environmental volunteering and how to grapple with the resultant direction of this impact on communities. To achieve such conceptualisation, the following concepts have been suggested:

- a) Environmental volunteering participants possess or develop a sense of belonging to a specific place (i.e. they have or develop a sense of place), physically and emotionally (Kaplan et al. 1972; Gooch 2002; Christie 2004; Mackay 2005; Sparkes 2005).
- b) This sense of place typically develops an 'ecological identity' in participants and enables them to identify with the natural world. Coupled with a sense of place, this may form the driving force for their commitment to environmental volunteering programs (Wilson 1996; Light 2000, Gooch 2002).
- c) Globally, networks of like-minded people, developed through volunteering to undertake environmental activities generate social capital, which has been observed to be positively related with 'sustainable community development' (Fukuyama 1999; Cox 2002; Dale 2005; Onyx 2005, Dale & Newman 2010).

Voluntary environmental management activities, such as ecological restoration, biodiversity conservation and protected area management, enable participants to develop networks. Individuals engaged in such programs may identify the benefits of collective efforts, effectively from the commencement of their endeavours. For this reason they actively seek to develop further networks. This observation supports the concept that people invest time, and engage in networks, when they understand that the benefits of their collective efforts are greater than their individual endeavours (Dasgupta & Serageldin 2000; Pretty & Smith 2003).

Within volunteer networks, individuals enhance their norms of trust and reciprocity and thus initiate social capital. This phenomenon was described by Sparks (2005) in a dual way: i) the flow of resources and energy between a community and an ecosystem; and ii) a community's capacity to organise towards collective actions that result in stewardship of the ecosystems of focus. Relationships of trust, reciprocity, common rules, norms and sanctions, and overall the connectedness within groups, therefore creates social capital which is necessary to achieve positive outcomes in biodiversity conservation in the area of applied ecology (Pretty & Smith 2003). Schwartz (2005) called such social capital 'conservation social capital'.

Onyx and Leonard (2002) described participation in formal volunteering as the strongest factor of social capital. Hence, the networks of environmental volunteers that are based on ecological concerns also generate a diversity of social capital, associated with a) bonding; b) bridging; and c) linking.

Bonding Social Capital

In the current context, bonding social capital refers to close relationships, usually observed within family members or friendship circles, or among neighbours. It depends on dense, multi-functional ties and strong, but localised, trust. Bonding social capital provides the potential to connect a community, and to afford the basic source of the individual's identity and the sense of meaningfulness within the community. It can

also coalesce into closely networked communities with impermeable boundaries and remain closed to outside influence (Onyx & Leonard 2002). However, Dale and Sparkes (2007) considered that this may counteract the formation of social capital. They suggested that such networks were often less diverse and showed stronger resistance to views from beyond the network to those expressed within the network. This was said to constitute 'negative social capital'.

Bridging Social Capital

Bridging social capital may also commonly be developed among networks through strategic reasoning. It is frequently characterised by weak and opportunistic ties that facilitate access to resources. It may form through horizontal relationships with other networks or, alternatively, it may be developed vertically to relate to and gain access to resources from the source of power (Newman & Dale 2005). However, a vertical relationship has the potential to weaken social capital. This is because communities sometimes object to hierarchical relationships. When this occurs we have observed that they may close their network or step out of the existing network.

Linking Social Capital

In contrast to bridging social capital, linking social capital enables communities to link with the political and financial decision-makers, and the professionals they are involved with for strategic and management-related issues. It is also characterised by weak and opportunistic ties that connect with formal institutions beyond their immediate community (Dale & Sparkes 2007). Such ties enable the government leadership of political and civil societies to connect with community networks to deliver messages of common interest. However, Onyx (2005) found that in such situations there was a substantial risk of contradiction and consequent negative social capital. However, Dale and Newman (2010) suggested that these social capital ties were a necessary condition of sustainable development because they did provide a link to required resources outside of the community.

Eco-Social Capital

To enable a precise, realistic and applied approach to understanding social capital created through environmental volunteering, we have expressed the key ideas outlined above through the new metaphor of eco-social capital. This concept is not equivalent to the concept of 'ecosocial capital' proposed by Carr (2004). He used the term to describe inter-human and interspecies bonds. Shaw (2006) used the term 'ecosocial capital' to make the link between human health and wellbeing and environmental health, wellbeing and sustainability. To avoid confusion, we have chosen to use the term 'eco-social capital' to differentiate from the more succinct 'ecosocial capital'. We define 'eco-social capital' as the outcome of social networks and social interaction of community environmental volunteers who joined networks that had any of a diversity of motivations and ultimately engaged with the network. As outlined above, sustainable community development would be the direct outcome of environmental volunteering through eco-social capital (see Figure 1).

Individuals or groups join like-minded networks when they feel responsible for the protection of natural places (Dale & Sparkes 2007). Since many environmental volunteering roles do not require specific special skills or knowledge, any community member may participate in local environmental volunteering programs with a range of motivations that may not be based on pre-existing ecological ethics. Such participation in volunteering activities encourages individuals to network with other participants and associated professionals. This widens their perspectives on ecosystems, its problems and issues, and may ultimately support the development of a common sympathetic view towards the local environment. Subsequently, this condition encourages individuals in their development of a 'sense of place' and 'ecological identity', as their involvement in the activity deepens and they become more proactive within the network due to increased trust and reciprocal relationships with other members of their volunteer group. With increasing involvement in their voluntary activities, and expansion of their associated personal experiences, their understanding of the benefit

of their work intensifies. Their connectedness with nature increases, together with their appreciation for the health of the environment (Caissie & Halpenny 2003). However, the extent of the group's level of motivation and its leadership's ability varies within the members of the same network. Volunteers with greatest motivation and more developed leadership ability tend to focus outside their network. They have been described as the 'critical node' (Dale & Sparkes 2007). Critical nodes are trusted members of the community, and hence they influence bonding social capital within the network and essentially act as the agent to bridge and link among networks. In this way they control the flow of information, within and among networks. This process generates social capital. This is because the condition for the production of social capital depends on dense, lateral networks involving voluntary engagement, trust, and mutual benefit (Onyx & Leonard 2002).

The form of social capital (eco-social capital) we are proposing differs from other forms of social capital in the sense that it is the direct outcome of an individual's engagement in environmental volunteering programs. However, under such conditions communities also move in parallel with sustainability. This is because, as Onyx (2005) suggested, reconciliation of the bottom-line imperatives (economy, ecology, society) towards sustainability only occur through collective action and the presence of sufficient social capital is essential for such action.

Conclusion

Over time, and particularly with rise of environmental volunteering, the paradigm of non-Indigenous Australians has shifted to embracing a 'sense of place', which we consider a subset of the Indigenous concept of 'caring for country'. Mackay (2005) considered that such sense of place occurred among individuals when emotions of look, feel and smell of a specific place were accessible by memory alone. Such development of an 'ecological identify' has been considered a motivation for environmental volunteering (Gooch 2002; Mackay 2005), the actions of which result in eco-social capital. There is increasing evidence that generating such social capital is the key to mobilising human

resources to achieve sustainable communities (Dale & Newman 2010). We suggest that the eco-social capital that arises between individuals within a group and influences others within and ultimately among groups has the potential to increasingly enhance understanding and commitment to the support of ecological sustainability. We therefore believe that by explicitly identifying the concept of eco-social capital, we provide a more holistic picture of the outcomes of environmental volunteering programs and enhance opportunities for conservation of the environment.

Previous researchers (Onyx & Leonard 2002; Dale & Newman 2010) have suggested that the building blocks of social capital are 'trust', 'social agency', tolerance and diversity' and 'value of life'. Eco-social capital adds an emphasis on 'sense of place' and a greater focus on conservation of the environment. However, to progress the concept requires further conceptualisation of the societal impact of environmental volunteerism, and the resultant direction of this impact on communities. There is also a need to seek to articulate the place of eco-social capital within ecological sustainable management.

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ABOUT THE AUTHORS

RAFIQ HUQ has worked internationally as a natural resources management professional for over 30 years. He has had an interest in volunteering that extends back to his early student life. This included leading numerous volunteering programs spanning scouting, Leo-Club and various disaster-relief programs. In Australia, as a local-government employee, Rafiq initiated and managed one of the largest environmental volunteer programs in New South Wales. Currently, Rafiq is employed as an Environmental Manager (Community Engagement) for Greening Australia, a national not-for-profit organisation. Throughout his career, Rafiq has explored how the pillars of ‘triple bottom line’ interact, and this has guided his thinking on the relationship between nature and human societies, and how that relationship leads to social-sustainability – eco-social capital. Email: rhuq@greeningaustralia.org.au.

EMERITUS PROFESSOR SHELLEY BURGIN one of the first graduates in environmental studies in Australia, has spent a career of nearly 40 years lecturing, researching and volunteering in environmental sustainability, both in Australia and abroad. Shelley is particularly interested in the ‘ecological’ and ‘social’ attributes of sustainability, and has published more than 150 papers, and supervised many graduate students in aspects of eco-social sustainability. Email: s.burgin@westernsydney.edu.au.

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