Civicness and service governance: the case of the Belgian quasi-market in the field of proximity services[1]

Stéphane Nassaut and Marthe Nyssens,

CIRTES-CERISIS – UCL

Nassaut Stéphane, Nyssens Marthe, Civicness and service governance: the case of the Belgian quasi-market in the field of proximity services, In: Civicness in the governance and provision of social services, Adalbert Evers, Taco Brandsen, Paul Dekker ed(s), NOMOS publishing house, 2010, p. 153-180

Abstract

Many European countries have witnessed the introduction of quasi-markets in personal services. Within a quasi-market, the state still contributes to the financing of the services in question, but provision is open to all kinds of organizations: public sector, third sector and for-profit sector organizations. In this paper, the concept of civicness is approached through the prism of service governance, and defined by the triangular relationship between the employer, the employee and the user. The objective of the paper is to examine the impact of the organizational mission of the provider on civicness.

Index

Civicness, Personal services, quasi-market, governance, public regulation, third sector

Introduction

During recent decades, the system of public regulation for social policies has undergone some radical changes. Many European countries have witnessed the introduction of quasi-markets for personal services, which have essentially created a division between the roles of financing

[1] This publication is based on a research carried out within the programme "SOCIETY AND FUTURE", implemented and funded by the Belgian SPP "Science Policy". This research was developed by the CERISIS – Université Catholique de Louvain and the *Centre d'économie sociale* of the University of Liège.

and provision of social services. Within a quasi-market, the state still contributes to the financing of the services in question, but provision of those services is open to all kinds of organizations: public sector, third sector and for-profit sector organizations all compete on the market. This chapter concerns the 'service voucher scheme', a Belgian public policy typical of the evolution mentioned, which was introduced in 2001 in the field of housework services[2]. This public scheme aims to develop both 'proximity services' and employment, as recommended by the European strategy for employment.

Following the framework of this book, civicness can be related to "the quality of institutions, *organizations*, procedures, to stimulate, reproduce, and cultivate civility."[3] Our contribution analyses the concept of civicness at the level of organizational practices. Specifically, the civic contribution of providers on a quasi-market will be observed through the prism of service governance, as defined by the triangular relationship between the employer, the employee and the user. Indeed, the literature has underlined the specificity of this relationship in the field of personal services delivered at the user's home. This dynamic is all the more important because a significant proportion of beneficiaries (users as well as workers) are potentially vulnerable (the elderly and/or physically impaired, the long-term unemployed, etc.). In this article, we analyse how the nature of the organizational mission of the provider (profit or social) affects, through this service governance dynamic, the labor market integration of workers and quality of the services for the users in a quasi-market in proximity services.

This chapter is structured as follows. Firstly, we will describe the 'service voucher' scheme and consider why it can be defined as a quasi-market mechanism. Secondly, we will develop the concept of civicness through the prism of service governance. The third section will examine the impact of the provider's mission on civicness. Finally, we will analyse the relationships observed between the types of governance and social missions with the types of public financing, which in turn reflect the diversity of types of public regulation.

1. The service voucher: a quasi-market mechanism

[2] In this chapter, we make an important distinction between 'housework services' which cover services such as cleaning or ironing for non-dependent users, and 'home care services' which are targeted at dependent users.
[3] Civility is understood as the behaviour and value orientations of individual citizens, in terms of their commitment to others, social concern, etc.

In Belgium, the service voucher system was launched on 1 January 2004. To date it has been an impressive success: by 2008, it was employing over 1000,000 workers, had over 750,000 users, and around 2,000 providers (including a significant number of organizations created specifically within the framework of this public scheme).

How does the 'service voucher' system work? Any person wanting housework services can buy vouchers at the price of €7.50 each – €5.25 after the 30% tax reduction – from the company that administers the system. This price was set in order to undercut the black market rate for housework services. Services can be provided inside the house (cleaning, cooking and ironing) or outside the house (mainly groceries services, ironing and transport for dependent persons). The consumer chooses an accredited provider which may belong to the for-profit sector, the third sector or the public sector. Every hour of service provided is then paid with one voucher. Finally, the provider redeems the vouchers through the company that administers the system and receives €20.80 of which €7.50 comes from the consumer plus an additional public subsidy of €13.30 to cover all the costs associated with one hour of housework (wages, social security contributions, training and supervision of the worker, transportation costs, etc.). The state therefore remains the main funder of the services and oversees the registration of providers.

According to Le Grand (1991), a quasi-market implies a split between the functions of financing and provision, which in the field of social services had traditionally both been dependent on the state. Within a quasi-market, the state still contributes to the financing of the service but provision is open to all kinds of organizations and public sector, third sector and for-profit sector organizations compete on the market. The Belgian service voucher system can be considered as a 'quasi-market' policy since a variety of for-profit, public and third sector providers (with a range of missions, legal forms and access to public funding) are now competing on the housework services market. A distinctive feature of the 'service voucher' lies in its allocation of subsidies directly the consumers[4], who then pass it on to the provider. The system thus enhances the consumer's power to choose.

1.1. A double-sided quasi-market

[4] And not, for instance, to the social departments of local authorities, which are in charge of implementing commissioning the services (Knapp et al. 2001).

If the service voucher system was originally conceived as a quasi-market policy in the field of housework services, it could be argued that it is, in fact, a twofold quasi-market.

Firstly, the scheme, which provides a significant financial incentive to the consumer, introduces quasi-market regulation into the field of housework services. It must be remembered, however, that the service voucher system was not designed as a substitute for existing social policy programmes in the field of home care, under which only (public or private) non-profit organizations are accredited and financed by regional authorities to provide personal care to dependent users. The quasi-market schemes which have been developed in the field of home care in various other European countries (the United Kingdom, the Netherlands, Italy, France, etc.) during recent decades are generally considered to be an attempt to improve efficiency and quality in the provision of social services, but this is not the case of the service voucher system. Indeed, in the Belgian case, the newly created market aims to expand both the demand for and supply of housework services with the primary aim of undercutting black market labour and creating a large number of 'new' formal, salaried jobs for poorly qualified persons in the field of housework. The policy was also designed to improve the work-life balance of Belgian citizens through the provision of housework services and to improve the functioning of the labour market by making parents more available for work.

Secondly, it can be stated that the service voucher system has incidentally created another quasi-market in the field of labour market integration for poorly qualified workers. Indeed, even though there is no obligation for the accredited providers to hire any particular type of worker, the service voucher system, given the type of services concerned, is clearly targeted at disadvantaged groups such as the long-term unemployed, the low-skilled or immigrants. Although, unlike other quasi-markets in reintegration services (Struyven, 2004; Georges, 2007), the service voucher system does not provide coaching and placement services as such, workers can sometimes explicitly benefit from labour market integration services (coaching, training etc.), depending on the provider and the nature of its mission. This is the case when he/she works in a work integration enterprise, for example. One could also argue that some of the system's characteristics introduce a quasi-market logic into the field of labour market integration. There is a 'worker-linked' subsidy, which allows the employer to cover the wages and supervision costs of the worker. Also, just as the customers are free to choose their provider, the workers are free to choose their employer, and even to move from one employer to another (possibly taking their clients with them), an effect that is magnified by the current shortage of labour in the market. Observations from the field provide evidence for that argument, by showing that workers actively compare working conditions offered by the various providers, playing the competition off against each other.

Given these two aspects of the quasi-market created by the service voucher scheme, it is not surprising to find – as well as for-profit providers – some providers driven by a social mission of work integration for poorly qualified workers, and others who pursue a social mission of providing home care services to vulnerable persons. Indeed, social enterprises that are involved in labour market integration are well-established within this quasi-market, as are accredited home care providers – namely the "accredited services of assistance for families and elderly people". In addition to the national voucher accreditation, both types of organization are accredited and financially supported by regional authorities.

In terms of the services provided, work integration social enterprises aim to create temporary or long-term jobs for the most disadvantaged workers, notably those who have not reached the upper secondary school level. As for the accredited home care providers, they basically deliver comprehensive home care services; these include housework, but also other services which fulfil users' daily needs in terms of sanitary, social and administrative assistance. The accredited home care providers are (public or private) non-profit organizations that focus on vulnerable families and elderly people (those coping with financial difficulties or who have suffered a loss of autonomy, the disabled, the sick, etc.). The needs of potential users are assessed by a social worker and the hourly rate is set by law, according to the users' income, in order to ensure universal access to these services. These organizations have entered the voucher system on the basis of their expertise in domiciliary care, but also in order to monitor the opening of their sector to quasi-market regulation. Specifically, they fear that other organizations operating within the 'service voucher' framework – though only authorized to deliver housework – actually offer home care services without being accredited for that purpose (and thus without offering any quality guarantee for the service and protection of the worker).

Table 1 provides a typology of the providers within the service voucher system framework according to sector (for-profit, public or third sector) and the mission of the organization (profit, work integration or home care). For-profit sector providers include temporary employment agencies and other types of private for-profit companies. Public sector providers include providers with a social mission of home care, local welfare services accredited as domiciliary care providers, and providers with a mission of work integration – such as some services developed by local welfare services, local public employment agencies or municipalities. The organizations belonging to the third sector are non-profit organizations accredited as home care providers and work integration social enterprises

Table 1: Typology of providers according to their mission and sector

<table>
<tr><th>Sector</th><th colspan="2">Public sector</th><th colspan="2">Third sector</th><th colspan="2">For-profit sector</th></tr>
<tr><td>Mission</td><td>Home care</td><td>Work integration</td><td>Home care</td><td>Work integration</td><td colspan="2">Profit</td></tr>
<tr><td>Provider</td><td>Accredited home care provider (local welfare services)</td><td>Local welfare services, local employment agency, municipality</td><td>Accredited home care provider, under the statute of a non-profit organization</td><td>Social enterprise involved in labour market integration</td><td>Temporary employment agency</td><td>Other private commercial company</td></tr>
</table>

Table 2 shows the distribution of accredited providers and workers for each type of organization in 2006.

Table 2: Distribution of accredited providers and workers in the quasi-market by types of organization in 2006

	Distribution of accredited providers	**Distribution of workers – number of individuals**	**Distribution of workers – full-time equivalent**
For-profit sector	**38.4%**	**55 %**	**41 %**
Temporary employment agencies	3 %[5]	37 %	23 %
Other private commercial companies	30 %	18 %	18 %
Third sector	**17.9%**	**27 %**	**35 %**
Accredited home care providers (non-	6 %	10 %	17 %

[5] In terms of head offices, temporary employment agencies account for only 3.6% of all service voucher providers, but this figure increases dramatically when the branch offices are taken into account.

profit organization)			
Work integration social enterprises	10 %	12 %	13 %
Other NPOs	7 %	5%	5%
Public sector	**43.7%**	**18 %**	**24 %**
Local employment agencies, local welfare offices and municipalities	30 %	15 %	20 %
Accredited home care providers (local welfare offices)	7 %	3 %	4 %
Total	100%	100%	100%

Source: based on the processing of ONEM database (2006)

Table 2 shows clearly that the public sector is the main sector in terms of the number of providers, followed by the for-profit sector and the third sector. In terms of numbers of employees, by contrast, the for-profit sector is the main contributor, providing 55% of the jobs created in 2006, while the public sector accounts for only 18.3% of employment. This picture changes, however, when we take into account the number of full time equivalent workers.

1.2. A lightly regulated quasi-market

Experience from quasi-markets across Europe shows that this type of arrangement, based on a purchaser-provider split, tends to be associated with fairly strict public regulation, in order to guarantee the quality of the service and ensure that the most vulnerable beneficiaries can access the services provided.

Quasi-markets involved in labour market integration differ significantly from one country to another in terms of the types of service provided, contracts and bidding processes. However, they are all closely monitored by public authorities to ensure that service providers act in the interest of the beneficiaries, and regulation has strengthened over time in order to tackle practices such as 'cream skimming'. According to Struyven (2006: 5): "countries that have chosen one or another form of market competition are entangled *in an almost continuous process of adapting and adjusting the system*." The cornerstone of such a process has been the progressive development by public authorities of a system to monitor the performance of the

T Adams 27/1/09 16:10
Supprimé: Work integration s

Matrice UCL 20/2/09 14:21
Supprimé: S

quasi-market. Consequently, an analysis of experience so far shows that quasi-market regulation in the field of labour market integration tends to rely on a mix of market competition and state interventionism. As Bredgaard et al. (2005) state: "a well-functioning quasi-market [in labour market integration] is not a 'free' and unregulated market; quite the contrary, considerable public regulation will be required".

A similar effect can also be observed in quasi-markets in the field of home care. Since the community care reform in the United Kingdom in the early 1990s, for instance, local authorities have been exercising their purchasing power through commissioning practices (long-term or short-term contracts, block or spot contracts, etc.). By pushing down costs, they have shaped the structure of the market to a significant extent (discouraging new providers from entering the market), but they have also affected the quality of the services provided (discouraging providers from investing in quality of employment and service, given the available resources) (Knapp et al., 2001). Equally, however, the quasi-market in home care also remains heavily regulated by central government. For example, the National Minimum Standards in Domiciliary Care is a set of government prescribed criteria which all types of provider must meet. Central government has also implemented a system to monitor performance at the local level (by means of user surveys and best value performance indicators), and a system to compare the local authorities between each other publicly. Finally, as stated by Le Grand (1997: 37), state regulation is so intensive in the British health care quasi-market that the model of coordination between buyers (local authorities), sellers (providers) and users can no longer be viewed as a 'quasi-market' in conceptual terms: "it [is] not a quasi-market but simply a representation of one. In the battle between market competition and central control, control won."

Interestingly, the Belgian quasi-market in the field of housework services appears, by comparison, to be rather lightly regulated. The accreditation procedure for providers is not at all demanding. As far as the quality of work is concerned, providers within the framework of the service voucher system are simply required to respect Belgian labour law on working conditions. Furthermore, providers are permitted to offer their workers employment contracts below the threshold of one third FTE, which is the usual minimum required by labour regulations. They can also offer the worker an unrestricted number of fixed-term contracts during a transitory period of three or six months, which constitutes another derogation of standard labour regulations. Consequently, it seems that in terms of labour law, the service voucher system actually introduces *deregulation* as opposed to a tightening of regulation. As far as service quality is concerned, certification criteria require the provider to deliver only housework services; if the provider already delivers other types of service, a distinct entity must be established to carry out the activities within the service voucher framework; there are no other obligations regarding service quality. The level of public financing is not linked to any quality considerations.

The official evaluation reports reflect this situation. They focus almost exclusively on the quantity and (to a more limited extent) quality of the work carried out, without reflecting on the quality of the services delivered. These reports seem to be intended primarily to provide information to the government on the public cost of the system and the number of jobs created; even though the reports are made public, they do not aim to provide relevant information for (prospective) users or workers.

Since the regulatory framework offers no guarantee in terms of the quality of employment or services, *the question of the impact of the organization's mission and practices appears crucial*.

2. **Civicness and governance in the service relationship**

In our analysis, we will place the concept of civicness at the level of organizational practices. Specifically, the civic contribution of certain providers will be observed through the prism of service governance – defined, for the purpose of this analysis, by the triangular relationship between the employer, the employee and the user.

Much literature has underlined the specificity of the relationship between the user and the worker when the proximity services are provided – that is to say, services characterized by an objective dimension of proximity (here, the fact that the service is provided in the house of the user) and by a subjective dimension of proximity (the relationship between the user and the worker is central to the quality of the service) (Laville and Nyssens, 2006). Zarifian (2000) distinguishes between three types of services: services that have been completely routinized and involve no interpretation of expectations; services that respond to an expectation that requires interpretation and comprehension; services for which, in addition to interpretation and comprehension, a unique solution must be conceived for and with the client-receiver. The unique solution in the latter type of service often means that the clients themselves become involved as a 'resource' in the search for a solution. The relational density of the service is of course greater in the latter scenario. How service governance takes account of the specificity of the service provided constitutes a central point of our analysis.

In terms of service governance, when designing the voucher system, public authorities were careful to create a framework that would avoid situations where the service relationship would be reduced to the direct relationship between the user and the worker, to a ‘black box’ so to speak, as is the case on the black market or in direct employment (such as the voucher system in France). Indeed, in these cases, the provision of proximity services is not subject to any kind of mediation. Even though a bilateral relationship could be viewed as being more flexible, some kind of organizational support is essential if one wishes to limit the risks of reciprocal abuse and improve the quality of both the employment and the service provided, by assessing the needs of the clients properly, for example, or by supervising and providing on-the-job training for workers. In the Belgian service voucher system, the worker must be employed by an organization; the employer supervises the worker and the client, and their bilateral relationship.

Service governance is all the more important because a significant proportion of the beneficiaries of proximity services – including both the workers and the users – are in potentially vulnerable. According to the annual evaluation report (2007), a significant proportion of ‘service voucher’ workers belong to *underprivileged groups*: 67% are low-skilled workers; almost 60% had been unemployed for at least two years prior to being hired under the service voucher system framework; 27% had been unemployed for five years or more (the average period of unemployment being 3.7 years); and 13.6% of the workers are not Belgian citizens (with an additional 7.1% being Belgian, but with a non-European ethnic background). As for the users of proximity services, the reports highlight the existence of two major user groups. The first group – the largest – includes the relatively young couples in which both partners work. According to the report, “the number of users reaches a peak around the age of 35 (when many individuals begin a family with one or more children)”. The second group consists of the elderly: 26% users are over 60 and nearly 8% are over 80. A second peak of users is thus reached at around 75 years old.” (Idea Consult, 2007).

Within the framework of a quasi-market involving a variety of providers, *does the mission of the provider affect, through the service governance dynamic, the labor integration of workers and the quality of the service for the users* in a quasi-market for proximity services?

Even though the annual evaluation reports take into consideration *the type of provider* (for-profit, public or third sector provider), the question of how the provider’s (social) mission impacts on the provision of the service appears to be considered of minor importance: the providers' mission is not even systematically identified. The lack of interest in the providers' mission on the part of public authorities could possibly be explained by the implicit premise that market competition always increases efficiency and the quality of the services delivered. Similarly, the federation of commercial enterprises delivering proximity services claims that its mission is to "promote the value of businesses and especially the quality of service, which is *guaranteed by healthy competition*". Rather than assuming that market competition will result in the homogenization of practices, however, one could also make the case that the diversity of missions among the providers active in the market will result in various types of service governance. According to basic organization theory, such variety should in fact, in the context of fixed prices, be considered as a healthy business strategy.

In terms of service governance, our assumption will be that the quality of labour market integration improves when the provider provides individual and collective supervision for its workers. Indeed, in the case of housework and domiciliary services in general, workers provide the services in the house of the users. For these services whose proximity character, as already stated, is not only objective (they are provided in the user's home) but also *subjective*, workers are expected to develop not only their technical skills, but also their behavioural skills. However, as Eymard-Duvernay (1997) pointed out, behavioural skills, while linked to the individual, are not static or set in stone and cannot be restricted to an individual's own pre-existing behavioural skills. Rather, they depend as much on the organizational practices upon which the individual worker can rely as on the individual worker him or herself (Combes, 2002). The organization therefore has a duty to provide collective support to help the worker understand (and, when necessary, constrain) the client's demands and the potential uncertainty underlying the proximity-service relationship. In the absence of organizational support, workers can rely only on their personal experiences, which increase the level of work pressure. In this context, collective supervision plays a significant role, by offering the workers a space to exchange experiences or advice, by nurturing a sense of belonging, and by providing social support, especially to those disadvantaged workers (the long-term unemployed, the low-skilled, etc.) who may have difficulty complying with contractual requirements and whose position is thus the most precarious.

On the users' side, service governance can also aim to provide services that are tailored to their needs, profile, and notion of a good housework service (which may vary substantially from one user to another), as well as to set clear boundaries for the service to be provided (such as which tasks are allowed and which are not, according to the service voucher regulatory framework). Such an assessment, in order to be effective, probably requires a visit to the home of the user before the service itself is delivered. This visit is all the more important when the user is potentially vulnerable. In the case of vulnerable users, a key issue is determining whether their demand involves housework, strictly speaking, or home care (social or sanitary aid, for example), even though this distinction is sometimes blurred. Demands for home care do not fall under the service voucher scheme, and in such cases the user must be redirected to an accredited home care provider. A monitoring of the service relationship will also allow the detection of any possible deterioration in the user's level of dependency. Finally, it must be borne in mind that quality of work and quality of service are, very often, deeply intertwined. In this case, a home inspection is also relevant from the worker's point of view, to enable the employer to verify the working environment and assess a fair workload, for example.

3. The impact of organizational mission on civicness in a quasi-market

Fifty-two providers were selected according to our typology (see above) and interviewed in the course of our research. To characterize the civic behaviour of providers, we need to look at indicators that show how the provider *governs* its relationship with both the worker and the user. The results of data processing show the existence of a continuum of service governance models with, at one end, a perfect 'triangulation' and, at the other end, a bilateral relationship similar to the one that can be observed in direct employment or on the black market.

3.1. Supervision of the user

A provider involved in the service voucher scheme can supervise the service delivered to the user through at least three channels: when signing a contract with a new user, in defining how much power users have to select his/her worker, and through the type of service that they allow to be provided.

- The contract

Initiating the service entails the signature of a contract between the user and the provider, and, possibly, a home inspection. This procedure can take place between the user and a supervisor of the workers, or the worker herself. The following table summarizes the four patterns observed in our surveys.

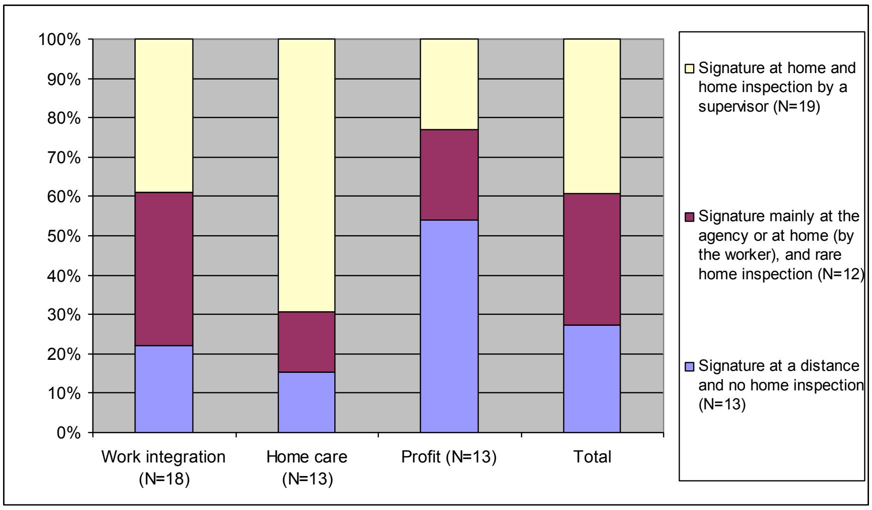
Table 3: Patterns for the signature of the contract with the user

	Intervention of a supervisor	Absence of intervention of a supervisor
At the user's home	(1) At home, by a supervisor	(2) At home, by the worker
Outside the user's home	(3) At the agency, by a supervisor	(4) 'At a distance', by post or email

In terms of service governance, the signature at home by a supervisor (case 1), allows face-to-face interaction between the user and the supervisor, and enables the latter to check the working conditions and decide which tasks will be carried out by the worker. In case one, civicness is promoted as the dynamic implies a co-construction of the service involving both the client and the provider. Case one, then, involves the 'triangulation' of service governance, while the signature at a distance (case 4) leads to a 'flattening' of the service governance.

Our statistical processing (data reduction and cluster analysis) generated three groups of providers: the first group of 19 employers sign contracts at home and carry out a home inspection (case 1); a second group of 12 employers sign the contract at home by a worker or at the agency by a supervisor, and rarely carry out a home inspection afterwards (cases 2 and 3); and a third group of 13 providers set up the service at a distance, with no home inspection (case 4). Figure 1 shows a (statistically significant) correlation between organizational mission and the type of pattern for the signature of the contract. Providers with a home care mission are more likely than other types of provider to belong to the first group (signature at home and inspection), while providers driven by a for-profit mission use 'distance' patterns more frequently than other types of provider. It must be pointed out that temporary work agencies behave differently from other private commercial companies by relying exclusively on the setting up the service at a distance. For-profit providers – excluding temporary providers – belong to the three groups mentioned above in equal shares. Finally, the group of employers with an organizational mission involving labour market integration is close to the average profile.

Figure 1: Relationship between provider's mission and the type of service set up



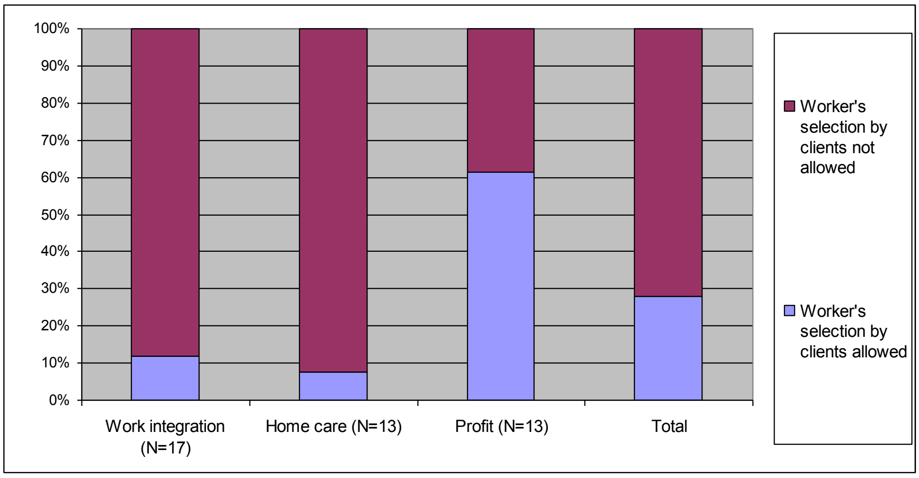
Source: own data

- Selection of worker by users

Another indicator of the nature of service governance relates to the extent to which the employer allows new clients to choose their home worker. When some power is given to users to select their own worker, we get closer to a situation where the user is the employer, thus flattening the service governance relationship. However, given the specificity of proximity services, it could be considered reasonable to take the clients' preferences about the worker into consideration as trust plays a key role in the satisfaction of both client and worker. The question is, of course, to determine which criteria can be considered as playing a legitimate role in nurturing a trust relationship, and which are illegitimate, such as discriminatory considerations (e.g. ethnic origin of the worker). We expect a civic provider to reject any illegitimate selection of workers. These providers would in this way choose to subordinate a commercial principle (the client's satisfaction) to their social responsibility and, in doing so, contribute to raising the 'civic awareness' of their clients. Although the service voucher registration procedure refers explicitly to Belgian anti-discrimination law, some providers are less cautious than others in banning discriminatory behaviour on the part of their clients. In particular, most temporary employment agencies openly decide to overlook this legislation and make the satisfaction of the customer as their overriding business priority.

Although such an issue – the power of the client in the selection of the worker – is rather difficult to grasp through a survey based on interviews with the sole employer, we asked the employers we surveyed whether they allowed their clients to choose 'their' workers independently. Figure 2 shows a statistically significant correlation between the provider's mission and the extent to which clients are allowed to select workers. Indeed, in more than six cases out of ten, providers driven by a for-profit mission allow the selection of the worker by the user, while this is only the case for about 10% of providers with a social mission (labour market integration or home care). In particular, some temporary providers explain that they provide new clients with workers' telephone numbers or send workers for an 'interview' at the user's home. In such cases, the user is free to reject a worker for any reason, including for discriminatory motives.

Figure 2: Relationship between provider's mission and clients' ability to choose workers



Source: own data

- Type of services allowed

As we have explained, the service voucher is targeted at housework services and not at home care services. This is a key distinction since home care services require different forms of worker's qualification and supervision. The regulation of home care services financed by regional public authorities is much more demanding than the voucher system for housework services. It is therefore of key importance for the governance of the service that the type of services provided be monitored. In this case, civicness relates to the provider's willingness to protect vulnerable users such as dependent people from the provision of inadequate services. We therefore asked our surveyed providers if they allowed workers to carry out tasks beyond the scope of the service voucher system framework, such as helping people to wash themselves, get in/out of bed, take medicines, help to move around the house, or providing psychological support, administrative help, or child care. The following table shows the percentage of employers which stated that they authorized the provision of such tasks, showing that the service delivered is frequently beyond the scope of housework and enters the field of personal or child care:

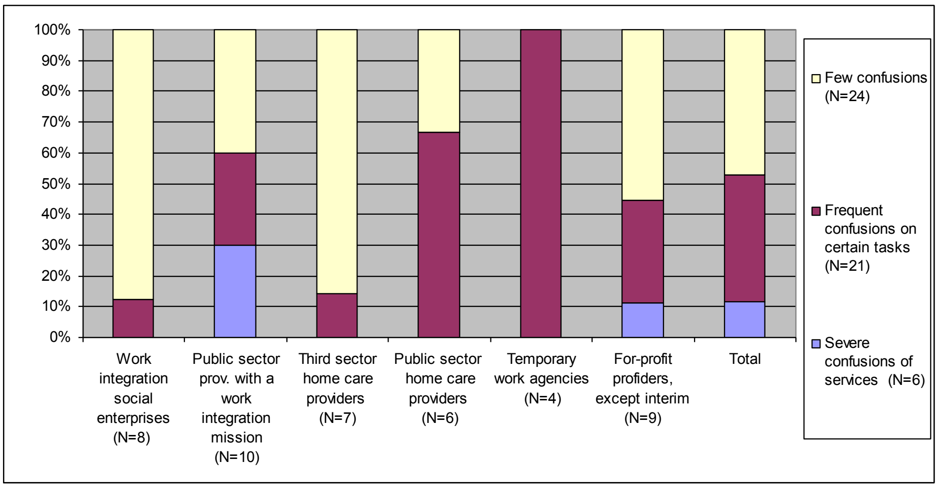
Table 4: Providers authorizing or tolerating the provision of care services

Help moving into the house	Help getting in/out of bed	Help washing	Managing medication	Psycholo-gical support	Adminis-trative help	Child care
60.8%	21.2%	11.5%	11.5%	67.3%	9.6%	28.8%

Source: own data

According to this typology of tasks, a multiple correspondence analysis followed by a cluster analysis produced a classification of providers into three groups. The first group (which includes 24 providers) is clearly aware of the extent of housework services and rarely confuses the two types of service. The second group (of 21 providers) mixes home care and housework services to some extent, by always allowing tasks such as help walking moving into the house and psychological support, and to a much lesser extent, administrative aid and help getting in/out of bed. The third group (of 6 providers) confuses home care and housework to a greater extent, even allowing tasks such as managing medication and helping elderly people to wash themselves. Figure 3 shows the distribution of these groups between the various types of providers. A higher percentage of non-profit providers with a labour market integration or a home care mission distinguish correctly between the two types of service. By contrast, public sector providers are less careful in their definition of the service. As for providers with a for-profit organizational mission, temporary employment agencies, once more, differentiate themselves from other for-profit companies: in more than 50% of cases, the latter distinguish between the two types of service correctly, while all the temporary employment agencies confuse the two types of services to a moderate extent (and therefore belong to the second group). It must also be remembered that severe confusion only occurs among providers with a labour market integration or a for-profit mission, and not with home care providers. Those results can be related to the motives behind the home inspection. Indeed, providers with a home care mission quote, more frequently than others, the motive of "delineating the service" when asked about their objective in home inspections.

Figure 3: providers' confusion between a housework service and a home care service



Source: own data

These results are further supported by an in-depth study (Nassaut, Nyssens, Vermer, 2008) of (public and private) non-profit organizations which are accredited *both* as home care providers and as 'service voucher' providers in the Wallonia region. That study analysed service governance and its implications in terms of service quality, in particular for vulnerable users, and showed the influence exerted by the initial social mission of home care providers on the governance of the housework service they delivered within the 'service voucher' system. First, when contacted by a new potential user, accredited home care providers are very careful to identify the type of home services needed (extensive home care or housework only) by analysing the user's profile and requirements. Following this procedure, the service user is termed a 'client' if his/her needs are restricted to housework and the services can thus be provided within the framework of the 'service voucher' system, or termed a 'patient' if home care services are needed. Accredited home care providers differentiate carefully not only between these two types of users; they also replicate some dimensions of home care service governance within ‘service voucher’ governance, thus raising the quality of the latter. For instance, it is common knowledge that the co-construction of the service – involving both the service user and his/her family on the one hand, and the care worker on the other hand – is a characteristic unique to accredited home care providers and one of their main strengths. This co-construction process has been transposed, to some extent, to the services offered within the framework of the ‘service voucher’ system. In the case of the home care service, the role played by the social worker who carries out an assessment of the users’ needs at home and co-constructs a ‘care plan’ *with* the patient (and not *for* the user) is played, within the framework of the ‘service voucher’ system, by the ‘coordinator’ (often a social worker), who acts as an interface between the client and the ‘service voucher’ worker. The ‘social assessment’, meanwhile, takes the form of an ‘administrative and security enquiry’ which aims, among other things, to protect the worker by making sure that he or she does not work in an unsafe environment. Clearly, this enquiry takes place at the client’s home.

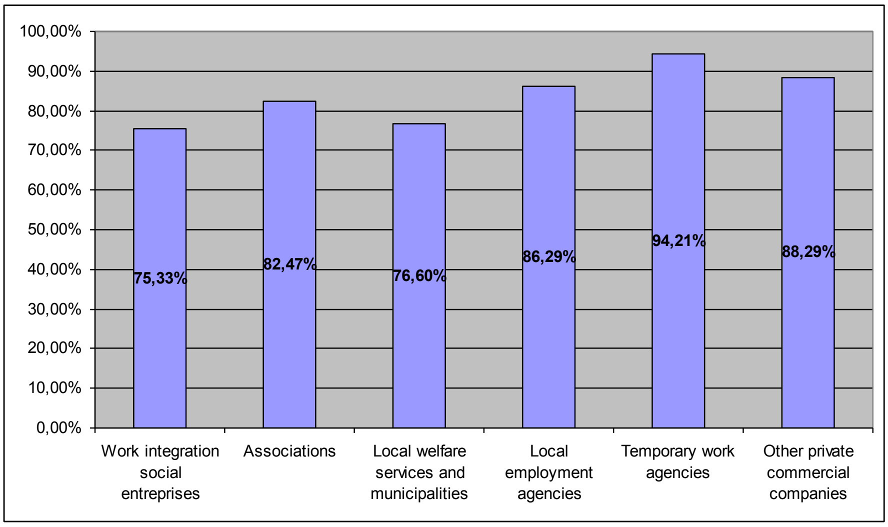
3.2. Supervision of the worker

Within the service voucher system, there are no specific legal requirements regarding the supervision workers, and the level of public financing depends only on the number of hours of service delivered. For the providers, the incentive is therefore to maximize the number of ‘productive hours’ – that is to say the number of hours of service effectively delivered at the users’ home – and to minimize the number of ‘unproductive hours’ dedicated, for instance, to supervision and training.[6] Accordingly, the audit of the financial statements of service voucher providers which was commissioned by the federal government (PriceWaterhouseCoopers 2007) measured the provider’s *activity rate* – the proportion of hours of housework delivered (and therefore subsidized) as a proportion of the total number of hours paid according to the work contracts. This ratio also provides an instructive indicator of the extent to which providers are ready to spend time on ‘non-productive’ activities, such as training and supervision. The higher this ratio, the less time is spent on non-productive activities. The typology used in the audit does not take into consideration the social mission of all providers (home care and labour market integration), but it shows nevertheless that the for-profit sector has the highest ratio of productive to non-productive hours – namely 94% for

[6] However, one could argue that to increase their income, providers could improve the quality of service (and thus client’s satisfaction) by investing in training and workers’ supervision.

temporary work agencies and 88% for other commercial enterprises (see figure 4). Given their mission, for-profit organizations may be reluctant to provide activities such as supervision and training, which add no apparent or immediate commercial value and are not financed by the service voucher scheme. They may also rely on the public employment services to supply initial training to their workers. Social enterprises involved in labour market integration (third sector) and municipalities and local public entities that provide welfare services (public sector) have the lowest ratio of productive to non-productive hours (respectively 75% and 76%). This demonstrates that, in line with their social mission of labour market integration, they allow for more ‘unproductive’ hours.

Figure 4: Activity rate by type of provider



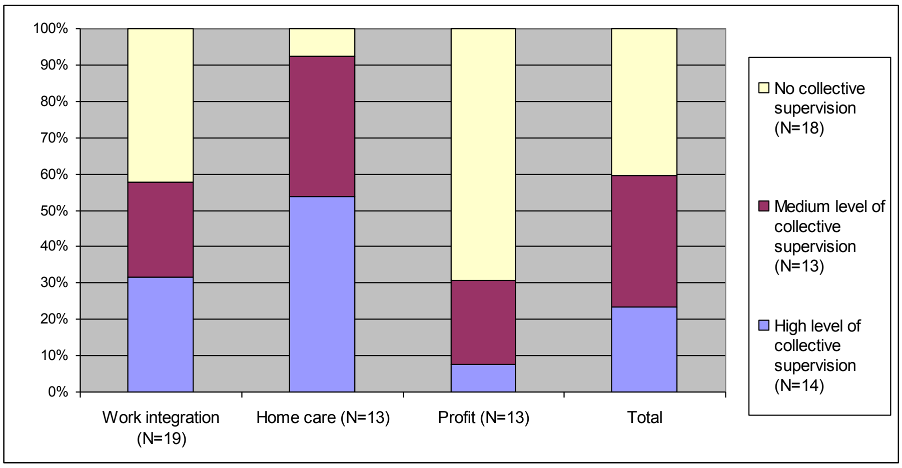
Source : PricewaterhouseCoopers (2007)

To understand the quality of the service governance better, we analysed some characteristics of the employment relationship on the basis of the data collected through our survey. The characteristics we analysed included the type of collective supervision, the type of training for workers, and the type of contract.

- Type of supervision for workers

As mentioned above, collective supervision contributes to civicness to the extent that it enables workers to share work experiences, advices or concerns. Such a social support is all the more important that a salient characteristic of this type of work is the isolation of the worker at the users' home, from colleagues and supervisors. To that respect, we therefore collected data regarding such information. A multiple correspondence analysis followed by a cluster analysis generated a classification of providers into three groups: the first group (18 org.) offers no collective supervision to their workers; the second group (13 org.) mostly provides less than a collective supervision per month, generally included in the working time; the third group always offers a collective supervision of workers at a monthly rate (or above), included in the working time (14 org.). As shown by figure 5, providers with a social mission of home care offer a better quality of supervision to their workers than other providers, with 90% of them belonging to the third and second groups. Based on their practices related to their home care service, these providers consider workers' supervision as a mean to guarantee the quality of a service targeted at vulnerable beneficiaries and, as we already explained, tend to replicate such practices to the housework service delivered within the 'service voucher' system framework, though this service is targeted to all types of users. To the opposite, 70% of employers driven by a for-profit mission offer low quality supervision. Once more, the group of providers with a labour market integration mission is close to the average profile.

Figure 5: Supervision of workers by provider's mission

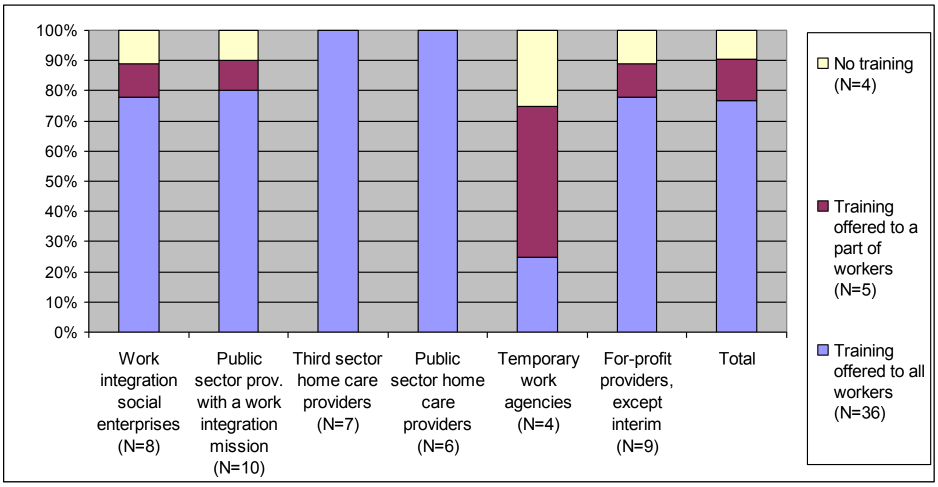


Source: own data

- Type of training for workers

Providing training to workers appears to be an essential contribution to civicness, as most ‘service voucher’ workers are poorly qualified and consider the job as a springboard towards better quality employment. We asked our sample of providers whether they trained all or some of their workers before or after the start of a job. Three groups can be distinguished: one group of providers that offer no training at all; a second group that offer training to some of their workers; and a third group that offers training to all their workers. The results show that providers with a social mission (labour market integration or home care) belong more frequently to the third group than for-profit providers and, thus, offer more training. The good performance of the for-profit providers – with the exception of temporary providers – should be viewed cautiously, given that the number of hours of training provided is relatively low when compared to other employers.

Figure 6: Training practices by type of provider



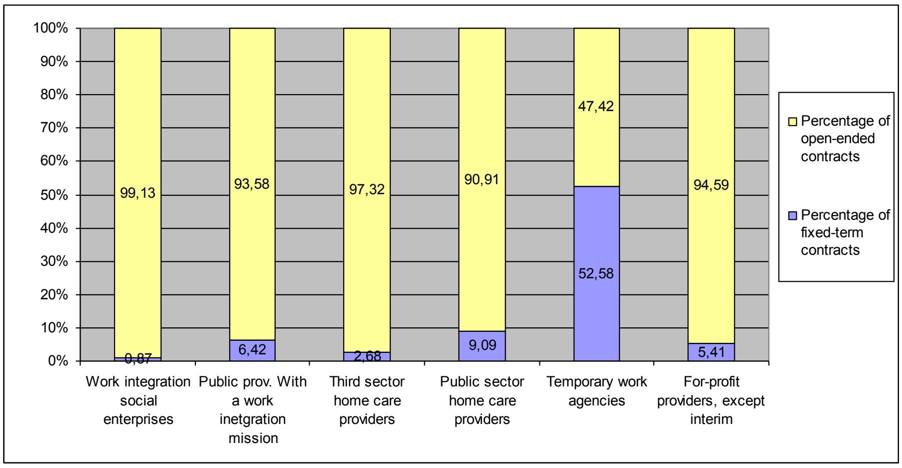
Source: own data

- Type of contract

The type of contract (fixed-term or open-ended contract) is an indicator of “the intensity of the link between the employer and the employee” and may be a sign of the intention of both parties to invest, in the long term, in service governance. As already stated, a sequence of fixed-term contracts is temporarily allowed by law for a period of three or six months, depending on which category which the worker belongs to. Beyond this period of time, the law states precisely that "the employer is required *to offer* the worker an employment contract for an unlimited period". The Minister of Employment has clarified the meaning of this article of law, stating that providers within the service voucher system "are not required to actually sign [a permanent contract]; they only need to *propose* it." A low rate of open-ended contracts could theoretically, then, be a result of workers' own preferences. However, it appears, from official evaluation reports that 75% of workers who did not enjoy an open-ended contract in 2006 (beyond the three or six-month period) had not in fact been offered such a contract.

When the administrative database of the national employment services on the trajectories of the workers employed in the service voucher system was analyzed, it appears that the temporary employment agencies, probably in accordance with their core business service (temporary placement), offer their workers a significant number of fixed-term contracts in comparison to other providers, sometimes on a weekly or even daily basis, and for a period of time exceeding, by far, the maximum period of six months. This practice could be interpreted as a sign that this type of provider considers its workers as "external suppliers of labour on a permanent basis".

Figure 7: percentage of fixed-term/open-ended contracts after 6 months



Source: based on the processing of ONEM database (2006)

4. Social mission, tutelary regulation and access to public financing

The results show that the nature of governance differs between types of organization: organizations with a social mission and, in particular, with a home care mission, tend to develop a more civic type of governance both in terms of supervising the user (through a home inspection, some scope for the user to choose the worker, and a better delineation of the housework service), or in terms of supervising the worker (through better supervision and training, and offering more open-ended contracts).

The introduction of a quasi-market regulation has thus revealed the peculiarities of the competitors, also in terms of access to public funding – which, in the case of the service voucher system, is a critical issue. Indeed, when the exchange value of the service voucher was still €21, a significant percentage of providers (over 60%) already claimed that this amount was insufficient to provide a decent salary to the workers and a service of sufficient quality to the user. This situation was obviously exacerbated when, for budgetary reasons, the government decided to cut the subsidy by one euro. In order to cover their costs, some providers rely on additional public resources, such as subsidies made available under the framework of active labour policies or regional subsidies linked to other accreditations (such as accreditation as a work integration social enterprise or home care provider).

However, from the point of view of for-profit providers, the variability of access to public resources is often seen as 'over-subsidization' which benefits certain providers and, consequently, as *unfair competition* for commercial enterprises. According to for-profit providers, subsidization is fair – that is to say, it does not undermine balanced competition – provided that all the providers have equal access to it. Gadrey (2004), by contrast, states that when for-profit organizations compete with public or private not-for-profit providers, the only justification possible for granting public funding to non-profit (public or private) providers without threatening the principle of fair competition lies in the demonstrable existence of a contribution to the general interest, which for-profit enterprises do not pursue, or at least less effectively than public or third-sector providers. From this perspective, additional public subsidies would only be legitimate insofar as we can observe that a more civic mode of governance is effective in that it leads to the better integration of vulnerable workers and users and thereby contributes to the general interest. First, we could take the view that the development of quality jobs for (very) poorly qualified people strengthens social cohesion. A second contribution to general interest relates to the quality of the service provided and, more precisely, to the attention paid by some organizations to the provision of a service that really meets the needs of the most vulnerable users.

The subsidy attached to the social mission – labour market integration or home care provision – of some providers which are accredited as such by regional authorities constitutes the main additional source of financing. However, in order to be accredited, providers with a social mission must comply with a set of strict rules defined by regional public authorities. Social enterprises involved in labour market integration must adopt a commercial legal structure, but also be labelled as ‘social purpose companies’, which implies that the distribution of their benefits to shareholders is limited by law. They are also required to target workers with a very low educational level, hire a defined percentage of ‘target-group’ workers, and develop and implement adequate supervision of these workers. Their recognition by regional public authorities entitles them to various grants: a ‘seed subsidy’ to initiate the activity, a three-year grant for every worker employed, and an aid to finance the ‘social supervision’ of the workers. As for accredited home care providers, they are entitled to public funding aimed at supporting the provision of personal care (and not, directly[7], activity carried out under the ‘service voucher’ system framework), provided that they comply with a set of standards and requirements. Firstly, they must belong to the public sector or the not-for-profit sector (legal form of association). The quality of the service and employment provided is also heavily regulated: the care workers must have attained a minimum level of education and obtained a specific certificate; the level of supervision is fixed by the law; and an assessment of the user’s needs is required. The level of activity of these services is also limited in the sense that the amount of public funding remains relatively stable over the years, as does the distribution of this funding between accredited providers. This restricts the level of competition among providers.

Unlike the ‘service voucher’ scheme, these two kinds of accreditation are rooted in a ‘tutelary’ form of regulation, because we could say that the state protects the interests of the beneficiary by developing strong regulation to guarantee the quality of the service provided. This regulation differs in many respects from quasi-market regulation (Laville, Nyssens,

[7] However, it is clear that providers that are accredited both as home care providers and service voucher providers pool some resources related to their home care services, such as human (social workers), material (premises) or financial resources. Conversely, a profit margin realized in their service voucher activity may be invested in their home care services. The same logic holds true for other providers that have not been created within the framework of the service voucher scheme, such as local employment agencies, temporary work agencies, public entities providing welfare services, etc.

2001, 2006). To differentiate between the two ideal-type forms of regulation (quasi-market and tutelary regulation), we have drawn up the following grid of analysis:

Table 5: Ideal-type forms of public regulation

	Tutelary regulation	**Quasi-market regulation**
Diversity of providers	Only public and not-for-profit accredited organizations	Open access to every type of accredited providers, including for-profit sector providers
Service quality regulation	In-depth regulation of service quality through a strict regulatory framework	Very loose regulatory framework, if any[8]
Level of competition among providers	Restricted	No restriction
Factor according to which the subsidy is given	The accredited provider itself	The consumer and the worker

In a tutelary regulation, the counterpart of the allocation of subsidies to providers is the fulfilment of quality criteria. The civic performance observed among some types of providers therefore reflects, at least to some extent, the influence of a tutelary mode of regulation.

5. Conclusion

The service voucher quasi-market provides an interesting field of research, for two reasons. First, it is a quasi-market in two senses – it provides two kinds of services. On the one hand, proximity services, provided at the user's home and, on the other hand, labour market integration services, since the workers hired in the framework of the service voucher system are mostly disadvantaged workers (the long-term the unemployed, immigrants, the low-skilled). Secondly, in comparison with foreign quasi-markets, the Belgian service voucher

[8] However, a quasi-market can, in fact, strongly differ from the theoretical model. Le Grand (1997:37) states, for instance, that English social welfare quasi-markets are so regulated that "in the battle between market competition and central control, control won."

quasi-market is lightly regulated: the accreditation procedure is not demanding and the performance measures set up by the government focus mainly on the cost of the measure and its impact on employment. Indeed, the service voucher scheme can even, in many respects, be considered a deregulatory measure: it represents a deregulatory measure in Belgian labour law and the deregulation of the domiciliary care sector, since the services provided within the service voucher system and extensive home care services overlap to some extent.

Different types of providers – in terms of sector (third, public or for-profit sector), organizational mission, and so on – compete within this quasi-market. The lack of regulation of the service voucher scheme enables us to grasp the effects of the (social) mission of organizations on civicness. We approached civicness through the prism of *service governance* as the relationship built up between the three parties involved in the service: the user, the worker and the employer. A more *civic form of governance* implies that the employer supervises both the user and the worker, thus bringing about a triangular relationship. Rather than assuming, as in the for-profit sector, that 'healthy competition' homogenizes organizational practices among all providers, *one should analyse whether different organizational missions do not result in differentiated contributions to civic governance*. We have seen that the social missions of accredited home care providers and social enterprises involved in labour market integration – social missions themselves shaped by a tutelary mode of regulation – contribute to civicness by improving the triangulation of service governance. We have also observed that, at the opposite end of the spectrum, the for-profit mission of temporary employment agencies, whose core business is to provide temporary jobs – seems to prevail, despite the aim of the law to encourage open-ended contracts. Service governance in this sector flattens to a point that it becomes similar to the bilateral relationship that can be observed in direct employment: temporary employment agencies tend to place the user in the position of the employer; in other words, everything occurs as though the user has hired the worker in a direct employment relationship. In the light of these elements, we can thus conclude that the point is not, contrary to the for-profit sector's claim, that the third and public sectors are over-subsidized. Rather, the better service governance provided by these sectors (to the advantage of the vulnerable 'service voucher' beneficiaries in particular) may legitimize additional financial support from public bodies, if one takes into account the contribution to the general interest that a more civic type of governance can yield. It must also be noted that, in the continuum of types of service governance, the intermediate position of the for-profit sector, *with the exception of temporary work agencies*, merits in-depth and nuanced analysis. Various types of 'business practices' were observed among that types of provider: a first category of for-profit providers sought to maximize its profits without paying attention to service governance; providers in the second category are willing to increase clients' satisfaction by raising the quality of service governance (and, to the same end, appoint a 'quality manager', for example); and providers in the third category include social objectives in their practices by, for instance, providing a 'social supervision' expressly for their most vulnerable workers, or by redirecting dependent users to a more suitable form of service.

REFERENCES

Bredgaard, T., Larsen, F., Moller, L.R. (2005): Contracting-out the public employment service in Denmark: a quasi-market analysis, Refereed paper presented to the Transitions and Risk, New Directions in Social Policy Conference, Center for Public Policy, University of Melbourne, February 23-25.

Combes, M.-C. (2002) : La compétence relationnelle : une question d'organisation, in : Travail et Emploi, n°92, pp.5-18.

Eymard-Duvernay, F., Marchal E. (1997) : Façons de recruter: le jugement des compétences sur le marché du travail, Métailié, Paris.

Georges, N. (2007) : L'externalisation de l'accompagnement des demandeurs d'emploi : modalités d'un marché en plein essor, Document de travail n°81, Centre d'Etudes de l'Emploi, Paris.

Knapp, M., Hardy, B., Forder, J. (2001): Commissioning for quality: ten years of social care markets in England, in: Journal of Social Policy, Vol. 30, n°2, pp.283-306.

Laville, J.L., Nyssens, M. (2001) : Les services sociaux entre associations, Etat et marché. L'aide aux personnes âgées, La Découverte Ed., Paris.

Laville, J.L., Nyssens, M. (2006) : Services de proximité, in : Laville J.L., Cattani A.D. (eds.), Dictionnaire *de l'Autre Economie,* collection folio actuel, Desclée de Brouwer, Paris, pp. 561-571.

Le Grand, J. (1991): Quasi-Markets and Social Policy, in: The Economic Journal, Vol. 101, n°408, pp.1256-1267.

Le Grand J., Bartlett W. (1993): Quasi-markets and social policy, Macmillan, London.

Le Grand, J. (1997): Competition, cooperation, or control? Tales from the British National Health Service, in: Health Affairs, Vol. 18, n°3, pp. 27-39.

Marwell, N., McInerney, P.-B. (2005): The Nonprofit/For-Profit Continuum : theorizing the dynamics of Mixed-Form Markets, in: Nonprofit and voluntary sector quarterly, vol. 34, n°1, pp.7-28.

Nassaut, S., Nyssens, M., Vermer, M.-C. (2008) : Les effets d'une coexistence de différents modes de régulation, suite à la création d'un quasi-marché dans le secteur belge de l'aide à domicile. Le cas des Services agréés d'aide aux familles et aux personnes âgées, in : Revue économie et société, série EGS, n°9, 2, pp. 265-292.

Netten, A., Francis, J., Jones, K., Bebbington, A. (2004): Performance and Quality: User Experiences of Home Care Services, Final Report, PSSRU Discussion Paper n°2104/3.

Nyssens, M. (2006): Social enterprise at the crossroads of market, public policies and civil *society*, Routledge studies in Voluntary and Non –profit Organizations, London, New-York.

Peeters, A., Van Pelt, A., Sanders, D. (2006) : Evaluation du régime des titres-services pour les services et emplois de proximité 2005, Rapport final, IDEA Consult, Bruxelles.

Peeters, A., Van Pelt, A., Sanders, D. (2007) : Evaluation du régime des titres-services pour les services et emplois de proximité 2006, Rapport final, IDEA Consult, Bruxelles.

Peeters, A., Van Pelt A., Valsamis, D. (2008) : Evaluatie van het stelsel van de dienstencheques voor buurtdiensten en –banen 2007, Eindrapport, IDEA Consult, Brussel.

PricewaterhouseCoopers (2007) : Audit financier du système des titres-services pour les emplois et services de proximité, Service Public Fédéral « Travail, Emploi et Concertation sociale ».

Sonecom (2006) : Etude évaluative concernant l'emploi dans le cadre du dispositif « titres-services » au sein des entreprises agréées en Région wallonne, étude commanditée par le Ministre Wallon de l'Economie, de l'Emploi et du Commerce extérieur.

Struyven, L., Steurs, G. (2003): An international comparison - Towards a quasi-market in reintegration services: first assessment of the Dutch experience, in: Australian Journal of Labour Economics, Vol.6, n°2, pp.331-355.

Struyven, L., (2004): Design choices in market competition for employment services for the long-term unemployed, OECD Social, Employment and Migration Working Papers, Directorate for Employment, Labour and Social Affairs, OECD.

Zarifian, P., (2000): Valeur de service et compétence , in : Cahiers du genre, n°28, L'Harmattan, Paris.