HYBRID ORGANIZATIONS AND THE THIRD SECTOR:
CHALLENGES FOR PRACTICE, THEORY, AND POLICY
Billis, D. (Ed). (2010).
London: Palgrave MacMillan.

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Social Enterprise is a rising star in both academe and the marketplace. As government and non-government funding for service and socially oriented organizations are in rapid decline, a new model for funding and operation of the traditional mission-oriented firm is desperately needed. Enter the hybrid organization, which maintains the mission-orientation while drawing on the best operational and funding practices of the market-oriented firm.

Billis in *Hybrid Organizations* seeks to address three distinct audiences: the practitioner, the academic researcher, and the government policy maker. Compiling deeply researched articles from an impressive stable of 17 writers (including Billis) who come from academe, ministry, and public service, he offers a substantial book on British hybrid organizations. For a course in international business, organizational theory/ behavior with an international element, international social enterprise, or an entrepreneurship course with an international element, *Hybrid Organizations* brings significant value.

However, for the standard non-profit or social enterprise course, the content of the text is not very applicable because of the very heavy British orientation. In fact Billis "takes a shot across the bow" citing a UK journal editor who warns one to not look to the U.S. for good practice in Third-Sector Organizations (TSOs) because of stagnation of practice and the separation of those organizations from their served constituencies. I guess they just won't get over the revolution; nevertheless I'm not quite sure that's fair with all the recent effort at building what we would call social enterprise. I would argue that there is an explosive expansion of social enterprises to replace traditional governmental agencies that are being cut back in order to meet the welfare needs of our populations in both the UK and US. There has been an impressive expansion of training and education for the mission sector by the market sector to enhance the ability to meet those needs with fewer resources.

The reader can draw principles for volunteer management, organizational governance, and interface with governmental agencies. And the implications and questions Billis draws in his concluding chapter provide significant food for planning and action regardless of which side of the pond on which the reader resides. Yet, the particulars—governmental agencies discussed, policies, and governance practices—are quite British. "Translation help" if I may put it that way, is provided by both mechanics—an early list of abbreviations—and writing style—careful explanation of acronyms, organizational terms and practices. This is a wonderful study of how these organizations have developed, grow, and flourish in the British policy and social environment. It is a seminal work providing impetus for research about and refining practice in hybrid TSOs.

The authoring team combines distinguished professors, policy wonks, research fellows and active practitioners who are either managing or ministering in these service organizations. *Hy-*

brid Organizations develops the impact of the third sector of the marketplace in meeting the welfare needs of the population. In Britain the marketplace is segmented like in the U.S. into public, private, and non-profit sectors, the last being what the author titles third sector. For the last 40 years TSOs (third sector organizations)—voluntary, NGO, and non-profit organizations—have met the welfare needs of their service constituents. The recent financial collapse around the world has significantly impacted government support of welfare systems. The use of hybrids by the US (the author cites a 2008 US study) and the UK governments implement social policy. As a result the field of TSO practice and study is in a growth phase.

Billis wants to foster research into hybrid organizations and so offers four categories of questions as a research agenda:

1. What is the nature of change in the third sector?

2. What are hybrid TSOs and how can the issues of accountability and transparency be addressed?

3. Can theory help [enhance TSO performance and service]?

4. What are the wider questions and implications for practice and policy?

Hybrid Organizations builds a foundation for research into these questions. In the first four chapters—Part I—he sets forth basic definitions, an explanation of social and public policy, a preliminary theory for modeling TSOs, closing with an explanation of governance of these new hybrid organizations. In this first portion he provides a preliminary basis of theory for policy formation, organizational governance, and structure. Most important here is Billis' model of hybrid TSOs built around the role of staff and source and abundance of funding. His model applies organizational growth patterns to TSOs focusing on the two elements mentioned above. His concerns are the complexity of accountability and the degree of transparency of the organization.

In the second part he walks the reader through seven studies of actual practice, each focusing on one element of the hybrid TSO; managing volunteers, managing the faith-based TSO, the ins and outs of the community-service type organization, TSO ownership, "joint-venture or partnership TSOs," dealing with the tensions of a public-private hybrid, and the role of the individual. His concluding chapter is actually a third part, in that he ties together the previous work, drawing implications and predicting the consequences of a failure to successfully implement policies and processes that will foster hybrid organizations. This concluding chapter translates well to any culture, policy climate, and social context.

Hybrid Organizations lays a foundation for further research by framing the key issues of meeting social welfare needs through TSOs in terms of organizational structure and funding; the more organic the TSO the more accountability and transparency. Billis' argument is that by using his organic to entrenched models of organizational growth, form, and governance one can achieve and maintain the appropriate clarity of roles, levels of accountability, and transparency demanded of mission-oriented hybrid organizations. A heavy read due to the density of material and the Anglo focus, but a remarkable piece of research.