

# **The continued retreat of non-profit housing providers in the Netherlands**

**Nico Nieboer**

Faculty of Architecture and the Built Environment, Delft University of Technology,  
Delft, the Netherlands

[N.E.T.Nieboer@TUDelft.nl](mailto:N.E.T.Nieboer@TUDelft.nl)

**Vincent Gruis**

Faculty of Architecture and the Built Environment, Delft University of Technology,  
Delft, the Netherlands

[V.H.Gruis@TUDelft.nl](mailto:V.H.Gruis@TUDelft.nl)

## **Abstract**

After the abolishment of object subsidies for housing construction and renovation in the mid1990s, Dutch housing associations, the main non-profit housing providers in the country, heavily relied on market activities, such as selling homes to owner-occupiers, to generate income for their social activities and to contribute to urban development policies. This worked well, which was one of the main reasons that these housing providers could adopt a wide field of operations, including not only the management and development of affordable housing for low-income groups, but also housing in other market segments, plus activities regarding care, welfare, local economy, employment and education. Recent economic and political developments, however, have caused housing associations to return on this path.

This paper presents the results of the second wave of a research among Dutch housing associations, consisting of a panel survey and interviews with selected panellists. Central in the research are the values, the strategic positioning and the strategies of these housing providers. It is expected that after the first wave of the research, held in 2010/2011, new regulations, such as the national implementation of European rules on state support and the introduction of a new property tax, have resulted in a further retreat from non-social housing activities. The paper reveals to what extent this is the case.

## **Keywords**

organisational strategy, non-profit, social housing, the Netherlands

## 1. Introduction

From the late 1980s the non-profit housing sector in the Netherlands shifted from being driven by government regulation and public financing to a sector that had to stand on its own two feet. Capital market loans were introduced into the sector, supported by a joint government and sector backed guarantee for loans, and direct subsidies for new housing supply were largely abolished. Retained regulation took the form of supervision of the operation of housing associations on the basis of general ‘fields of performance’, regulation of rent increases and limited reporting to supervising bodies. Within this framework housing associations were free to sell, to invest and to decide how to allocate their resources to their social task.

The financial liberalisation of the Dutch social housing sector went hand in hand with an involvement in both new housing activities and other products and services. In the housing sphere, not only did housing development and neighbourhood renewal have more prominent roles, but the sale of both new and existing homes became more important as a means of financing housing development and to cross subsidise social activities. Organisations also embarked on activities in the field of welfare, care, local economy and education, albeit usually via a restricted role as social real estate developers and facilitators rather than as direct providers of wider services (Brandsen *et al.*, 2006; Gruis, 2008; Van Overmeeren & Gruis, 2011). Not only did the housing associations choose to adopt a wide range of activities, they were also encouraged to do so by the political environment, which demanded more actions in the social sphere. For some years, a considerable government budget was available in restructuring areas for social and economic, but explicitly non-physical investments such as renovation, demolition and new building.

In the last few years, four developments have brought about new dynamics in the Dutch housing sector. First, the credit crunch that followed the global financial crisis (GFC) in 2008 severely affected the housing market and led to sharp falls in both housing construction by housing associations and in the asset values of their property and land portfolios. It also triggered more cautious bank lending policies, which reduced the capacity of housing associations to invest and contributed to a sharp decline in their housing turnover (Priemus, 2010). Second, the national government lifted the exemption from corporate tax for non-profit activities, which also reduced their room for investment. Third, the market privileged position of housing associations became a bone of contention with the private sector leading to interventions under a European competition directive. The Dutch Government’s implementation of EU regulations on state aid entailed a considerable change in the allocation of homes with the result that housing associations have to concentrate more on assisting low-income households than they used to do in the past, in order to remain eligible for state support (Priemus & Gruis, 2011). Finally, a new property tax was introduced this year for homes in the regulated rent segment. The revenue of this tax should increase from €1.1bn (€541 per home on average) in 2014 to €1.7bn (€775 per home on average) in 2017 ([www.aedes.nl](http://www.aedes.nl)).

It is plausible that developments like these have a profound effect on the investment behaviour and related strategies of individual organisations in the social housing sector. In 2010 we carried out a survey, followed by an interview round in 2011, to establish to what extent this expectation was true (reports on this in Nieboer & Gruis, 2011, 2012 and 2014). The results of that research indicated a strong shift in behaviour in the previous years, plus an expectation that this shift would continue in the years after. In 2013/2014, we repeated the research to test this expectation and, more in general, to identify recent trends. The paper concentrates on the results of this second wave. As in the first wave, we used a classification of organisational strategies developed by Gruis (more about this model in section 2). The research questions addressed in this paper are:

- What are the current values and strategic priorities of Dutch housing associations?

- To what extent do these values and priorities differ from those of the recent past?
- What strategies are Dutch housing associations expected to pursue in the near future?
- In which sense and to what extent do these strategies and activities differ from those of the recent past?
- To what extent can developments in organisational strategies be classified using Gruis' model?

The structure of the paper is as follows. In section 2 the theoretical framework is dealt with, including Gruis' model. In section 3 we go into the research approach and the research methods. Section 4 presents the results of the second wave of the research. These results are compared with those from the first wave in section 5. Finally, conclusions are drawn in section 6.

## 2. Theory

To analyse the shift that has occurred in the priorities and activities of Dutch housing associations, we have used Gruis' description of organisational archetypes, which are extensively addressed in Gruis (2008) and are also explained in a publication about the first wave of the research (Nieboer & Gruis, 2014). Central in Gruis' typology are two dimensions, namely that between so-called prospectors and defenders and that between social and commercial.

In his typology, Gruis (2008) combines the prospector-defender dimension with the social-commercial dimension to define four organisational archetypes (see Figure 1):

- the *Social Housing Manager*: emphasises traditional social housing tasks, strives to deliver services to clients efficiently and has a primary focus on achieving social returns and actively uses its financial surpluses in the interest of housing;
- the *Social Housing Investor*: emphasises traditional activities, strives for business efficiency and generates financial return by taking a 'going-concern' approach to managing the housing stock;
- the *Societal Innovator*: has a broad field of work in terms of both market segments and public sectors, strives to continuously develop this field of work and the products and services provided, focuses primarily on social return, and actively uses its financial surpluses in the interest of society;
- the *Societal Real Estate Investor*: undertakes mainly activities on the real estate market, strives to continuously (re)develop its real estate portfolio and has a primary focus on achieving a real estate portfolio that can provide a good financial return, taking into account its social (housing) objectives.

The typology is based partly on Miles and Snow's (1978) distinction between Prospectors and Defenders. Prospectors are organisations that are trying to secure their continuity through continuous market development and expansion; Defenders are organisations that emphasise efficiency and a competing price-quality range in a limited, fixed market domain. Additionally, Gruis' typology is inspired by Walker (2000), who suggests tensions between property and welfare approaches in social housing provision are likely to lead to the domination of a property-based approach because of on-going managerial and external pressures on social housing organisations. Nevertheless, Walker also suggests another scenario, which is the development and enhancement of a 'housing plus agenda' which would turn associations into organisations where property management is only one aspect of their work. Support for both scenarios in the Dutch as well as UK context can be found in, for example, Clapham and Satsangi (1992), Kemp (1995), Symon and Walker (1995), Walker (1994, 2000), Nieboer and Gruis (2014) and Brandsen *et al.* (2006).

**Figure 1** Conceptual organisational archetypes of housing associations

Social orientation	Defender		Commercial orientation
	<p><b><i>Social housing manager</i></b></p> <p>emphasis on traditional activities, affordability and tenant satisfaction</p>	<p><b><i>Social housing investor</i></b></p> <p>emphasis on traditional activities, business efficiency and yielding profit via going-concern approach</p>	
	<p><b><i>Societal innovator</i></b></p> <p>broad range of activities, continuous renewal of its products and services, and social return</p>	<p><b><i>Societal real-estate investor</i></b></p> <p>emphasis on continuous renewal of its real estate portfolio and on financial return</p>	
	Prospector		

Source: Gruis, 2008 (adapted by the authors)

Gruis' typology has been applied in several studies in the Netherlands, the United Kingdom and Australia (e.g. Gruis, 2008; Milligan *et al.*, 2012; Morrison, 2013; Nieboer and Gruis, 2014; Czischke, forthcoming) as a framework for analysing strategic priorities of not-for-profit housing providers. In this article, we employ it as a framework to analyse recent developments in the Dutch housing association sector. Our assumption is that housing associations' priorities respond to general contextual developments in policy and economy, but that these responses are also 'filtered' by values of housing associations' management, local market and policies, available resources as well as path dependency (e.g. Walker, 2000; Sacranie, 2012; Czischke, forthcoming). Given the contextual developments described in the introduction of the article we expect that the further shrinking budgets among Dutch housing associations lead to a further retreat to core business, particularly as a result of the substantial levy laid upon housing associations by the current government (which is much higher than the levy announced by the previous government), combined with a continuous difficult housing market, which hampers generating additional revenues through the sale of homes. Additionally, the current Housing Minister's proposed amendment of the Housing Act to place substantial restrictions on financing developments of more expensive rental dwellings and owner-occupied housing will lead housing associations to become even more restrictive in carrying out these activities.

However, we also expect this retreat to core business to be slower in the last three years (between 2010 and 2013) than in the years immediately following the GFC, assuming that the main reduction in the scope of priorities has already taken place and that housing associations have already balanced their priorities around their core businesses.

### **3. Research approach**

Our research uses a modified Delphi technique, originally applied by Mullins (2006) for a study with largely similar research questions to those used in England. In this study, it was decided not to distribute a questionnaire among a statistically representative group of housing associations, but to select a smaller group of organisations for a more in-depth investigation, which consisted of a survey plus subsequent interviews with some of the respondents. As in the English study, a survey was drafted for the Dutch research on the basis of propositions and questions that were derived from the analytical framework as described in the previous section to investigate which changes have taken place in housing associations in the Netherlands. Most answers could be given on a seven-point scale. Respondents were sometimes asked to indicate what the situation had been three years previously (i.e. in 2010), although it is a matter of dispute whether such a retrospective approach produces reliable outcomes (see e.g. Golden, 1992) because answers concerning priorities in the past can be subject to biases as a result of current priorities. Our method, however, enabled us to obtain comparable data concerning both past and current priorities. Some level of bias is tolerable, however, since our main objective was to shed light on shifts in priorities.

The housing associations were asked to have the questionnaire completed by someone with a good overview of the policies of the organisation and the motives behind these policies, and who could provide an insight into the expected strategic direction of the organisation in the near future. This person may be a director, a member of the management team or a senior policy officer. Because the respondents were also asked to give their job title in the organisation, we were able to check whether the housing associations had complied with this request. In general this proved to be the case, with the possible exception of a few cases in which the wording left some doubt.

To select organisations, we chose for an intensive telephonic preparation among a group that had a relatively limited size, but that was sufficiently large to allow us to make indicative statements about the whole sector. This telephone preparation enabled us to find the right staff member to complete the questionnaire and gave us the opportunity to motivate him/her to participate. Housing associations were selected from the professional network of the researcher and his colleagues. We selected housing associations with their own policy staff in order to reduce the risk that the strategic priorities of the organisation were undocumented or otherwise articulated. Housing associations that had merged during the two years prior to the survey were excluded, because it was expected that the policy of such new organisations would still be in flux to some extent.

For the first wave in 2010, forty-one housing associations were approached to participate in the survey; 31 of these returned the questionnaire. The response then contained sufficient variation in terms of regional origin, financial situation and investment obligations (notably restructuring activities). Partly due to this selection method, large and medium-sized housing associations (defined here as all organisations that own more than 4,000 homes) were overrepresented in the responses. In the first wave of the research, a relatively high number of the organisations were active in the Randstad (13 out of 31), an urban area in the west of the Netherlands which includes the four largest cities in the country.

For the second wave, the 31 respondents of the first wave were approached again. The questionnaire of this wave was distributed in November 2013. Twenty-three housing associations returned the questionnaire. Apart from the overrepresentation of (again) the large and medium-sized housing associations there was no overrepresentation according to region, financial situation and investment obligations.

In the first wave of the research, interviews were held after the survey (in November and December 2011) with 10 housing associations in order to explore the motivation for their answers in the questionnaire. The selection was made by choosing every third organisation from an alphabetical list of the 31 responding housing associations. The interviews were held with the same individuals who had filled in the questionnaire. In the second wave, 12 such interviews were held, in February and March 2014. The selection of these housing associations was made by choosing every second organisation from an alphabetical list of the 23 responding housing associations. Alignment with similar current research in some other countries was the main reason for having slightly more interviews in the second wave than in the first one.

#### **4. Findings: results of second wave**

In the questionnaire several topics were addressed, namely:

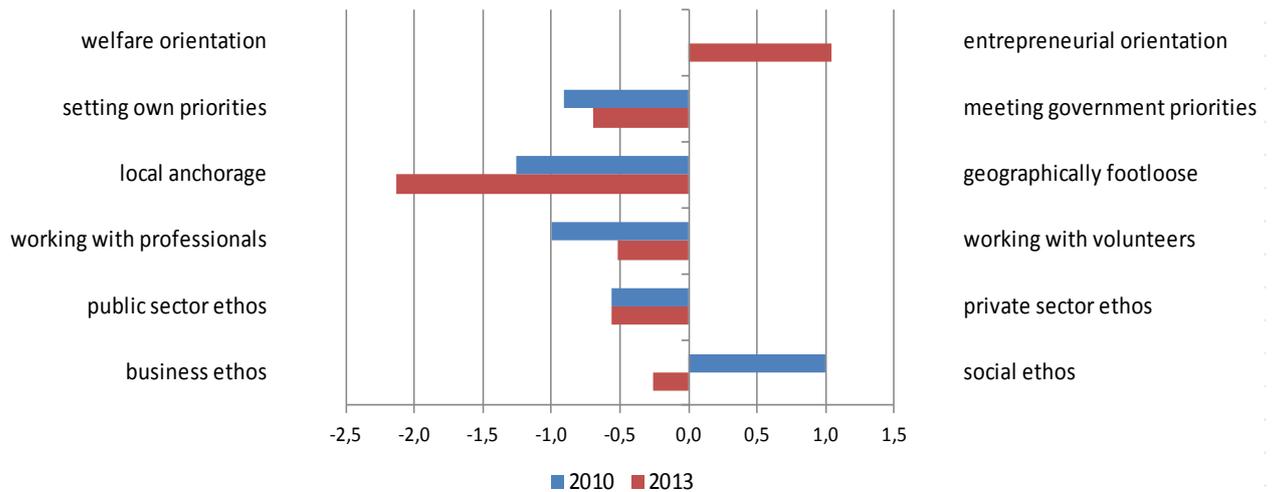
- the values of the organisation;
- its strategic priorities;
- the perceived changes and their influence on the operational activities of the organisation;
- the strategies (in terms of actions and activities) of the organisation.

Below the results for each of these topics will be presented successively. The survey also asked respondents to indicate the main strategic decisions for the next years, but this subject will be dealt with in section 5, together with the results of the previous wave.

##### ***Balance of values***

In the questionnaire, respondents were presented with pairs of possible values and asked to indicate to what extent one priority took precedence over the other for their particular organisation, as well as what the situation had been three years earlier. Answers were given on a seven-point scale, which was converted into a number between -3 and +3. The lower the number, the more emphasis on the priority on the left-hand side; the higher the number, the more emphasis on the priority on the right-hand side; the number 0 meant that the two priorities had equal emphasis. Figure 2 gives the average score for each pair of values, thus showing the extent to which one priority predominated over the other in the group of associations as a whole.

**Figure 2** Average balances of pairs of values, in 2010 and in 2013\*



\* In 2010 the average 'weight' for the welfare orientation and the entrepreneurial orientation was exactly the same. For this reason, no bar is depicted for this pair of values.

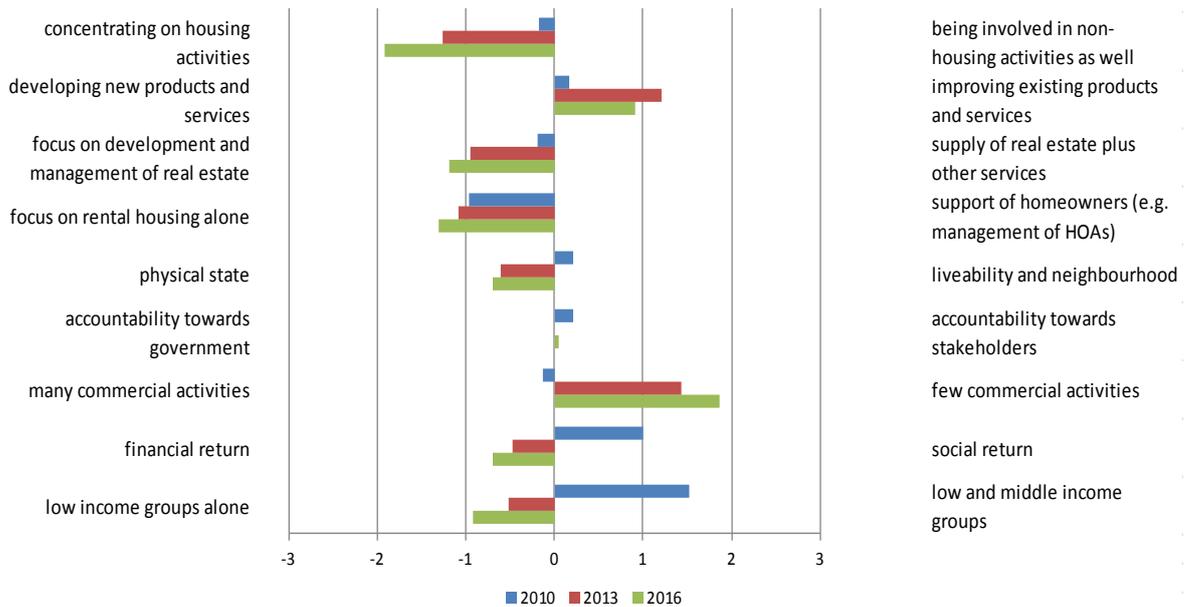
For 2010, it can be observed that local anchorage dominates being geographically footloose, working with professionals dominates working with volunteers and the social ethos dominates the business ethos. In 2013, these dominances are less clear, with exception of local anchorage. The interviews held after the survey show that the declining popularity of geographical expansion is the main reason for this dominance. This, in turn, has to do with shrinking budgets and, related to that, decreased investment capacities.

In general, a more businesslike attitude can be observed in the sector: the relative importance of the social ethos has decreased for the 'benefit' of the business ethos, and the entrepreneurial orientation has gained importance compared to the welfare orientation.

***Balance of strategic priorities***

Respondents were again presented with pairs, now of possible strategic priorities, again for the situation at the time of the survey (2013) and that of three years earlier (2010). They were also asked to give an expectation for over three years (2016). Answers were again given on a seven-point scale, which was converted into a number between -3 and +3. Figure 3 gives the average score for each pair of strategic priorities, thus showing the extent to which one priority predominated over the other in the group of associations as a whole.

**Figure 3** Average balances of pairs of possible priorities, in 2010, 2013 and 2016

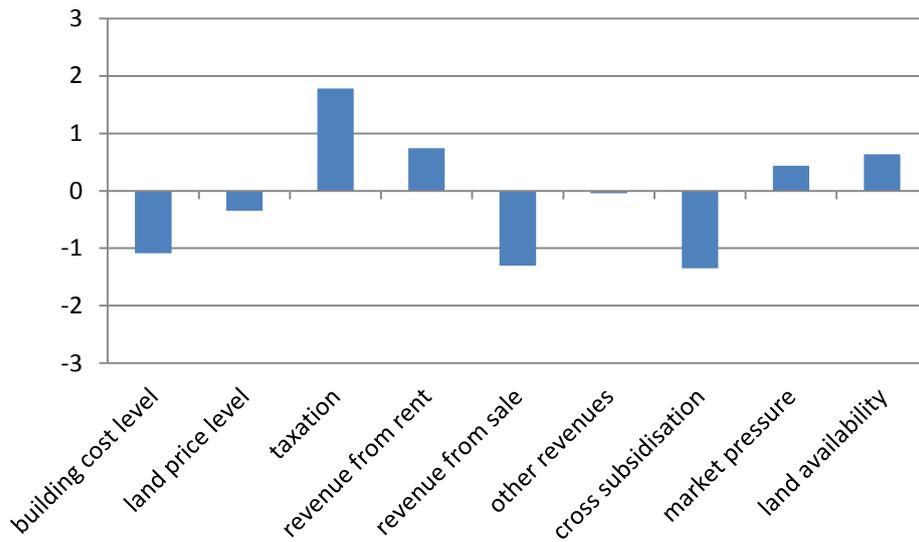


The developments in the years 2010-2013 clearly indicate a movement in the sector towards the traditional role of housing manager: less involvement in non-housing activities, less emphasis on the development of new products, more focus on the development and management of real estate, more focus on the physical state of the housing stock, fewer commercial activities and more emphasis on low income groups alone. The interviews show what housing associations see as the main causes, namely the current economic crisis, a larger tax burden and stricter allocation rules, the latter as a consequence of the Dutch implementation of European regulations regarding state support. The expectations for 2016 point to a further development in these directions, although the differences with 2013 are rather small. Apparently the housing associations expect that the biggest part of the residualisation of the sector has been taken place.

***Influence of external changes***

The questionnaire also dealt with a set of external changes, notably the size of these changes and the influence on how the organisation has to fulfil its task. Which changes do the housing associations perceive as the main ones? As for some changes, also the direction of these changes (increase/decrease) was addressed. As in these cases the seven-point scale has to be used in a different way, we deal with them separately from the other cases. Figure 4 shows the changes for which also a direction was asked.

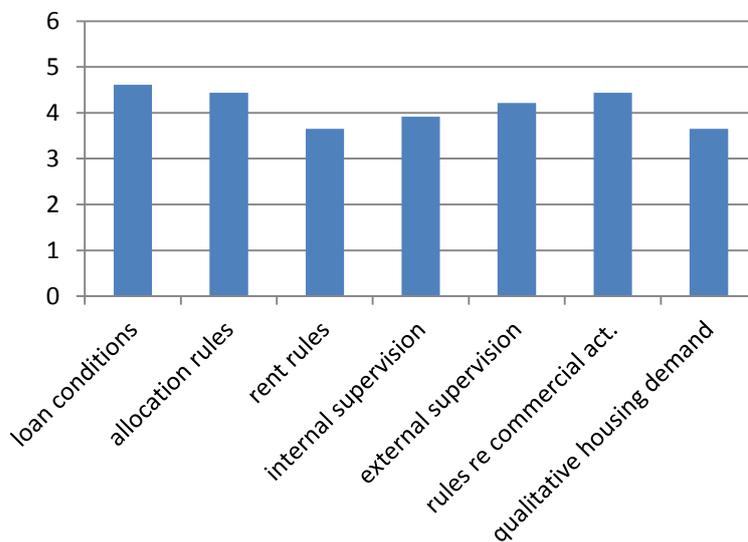
**Figure 4** Extent and directions of changes



The rise in taxation clearly stands out as a big change. Relatively big decreases are perceived for the building cost level, the revenue from the sale of homes and cross subsidisation. On average the housing associations in the research hardly perceive any change in other revenues than rent and sale of homes. For this reason, no bar is depicted at this point.

Figure 5 shows the size of the changes regarding the other subjects in the questionnaire.

**Figure 5** Extent of changes



Among the subjects presented in the figure, the terms and conditions to obtain a loan, rules for the allocation of homes and rules regarding commercial activities were the areas where the housing association perceived as the biggest changes. The terms and conditions to obtain a loan, rules for the allocation of homes and rules regarding external supervision were seen as the most influential changes for the organisation (not depicted). The interviews revealed that many respondents interpreted the change in regulations regarding supervision not primarily as a

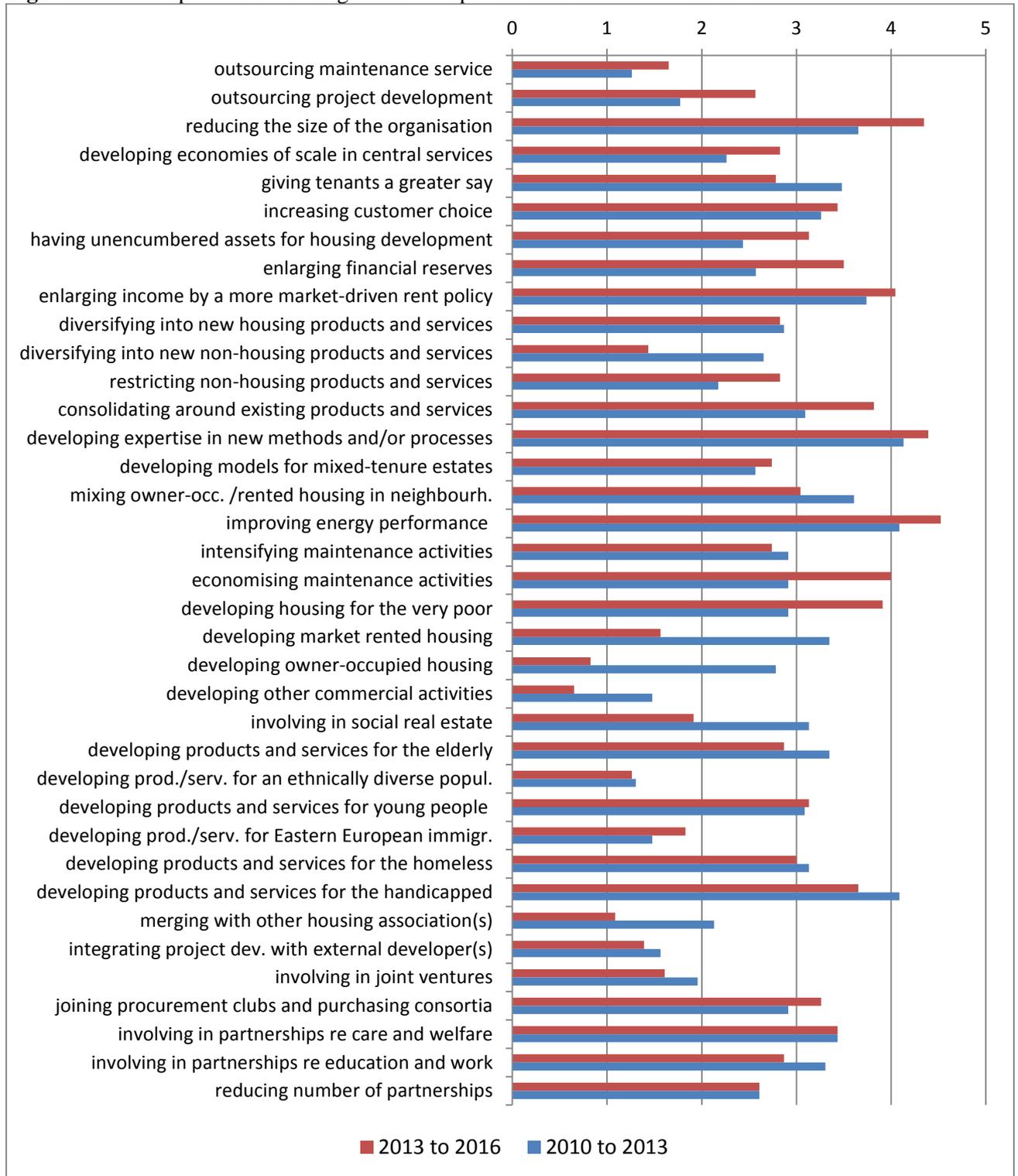
change in the rules as such, but as a change in the administrative burden imposed on them by regulatory bodies (e.g. extra financial reporting). As one director put it:

“There are several new tests and forms. All this financial reporting consumes much more time than in the past. I can almost allocate an extra full-time employee to this work.”

### ***Importance of strategies***

The respondents were presented with a number of strategies and asked how important each one had been to the particular association over the last three years, and how important they expected the same strategies to be in the next three years. The point here was not which strategies ought to be important (the desired situation), but which strategies actually are/will be important to the association (the actual situation). The respondents again gave their answers on a seven-point scale, which was converted into a number between 0 and 6, where 0 meant ‘very unimportant’ and 6 ‘very important’. In other words, the higher the number the more important the strategy is/will be to the association(s) in question. If a particular strategy had not been adopted at all, respondents were asked to indicate that it was ‘very unimportant’ to their association. Figure 6 presents the results for the three years preceding the survey (2010-2013) and for the three years after it (2013-2016).

**Figure 6** Importance of strategies over the periods 2010-2013 and 2013-2016



The five strategies that the housing associations in the research regarded as the most important ones in the period 2010-2013 were:

- reducing the size of the organisation;
- enlarging income by a more market-driven rent policy;
- improving the energy performance of the housing stock;

- developing expertise in new construction methods and/or processes;
- developing products and services for the physically and/or mentally handicapped.

These strategies are almost the same as the five most important strategies mentioned for the period 2013-2016. Only the strategy regarding the handicapped has 'handed over' its place to economising maintenance activities.

These five most important strategies show a mixed picture. On the one hand these strategies have to do with reinforcing the financial situation (reducing the size of the organisation, enlarging income by a more market-driven rent policy), on the other hand these strategies entail higher investments (improving the energy performance, developing expertise). Nevertheless, strategies pointing to a restriction to fewer types of activities are generally more dominant in the coming three years than they were in the last three years. Developing housing outside the traditional market for housing associations, namely that for low-income households, has considerably lost importance. Instead, changing the size and the structure of the organisation has gained importance.

## **5. Findings: comparison with first wave**

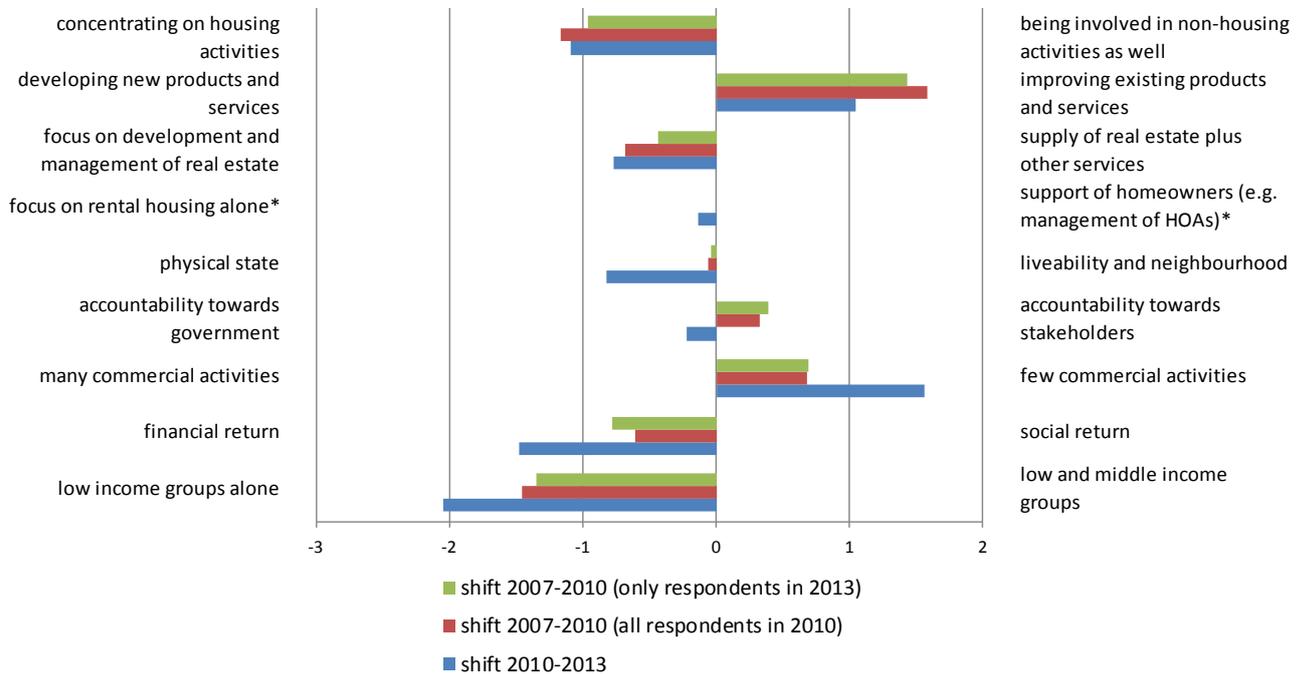
In this section some results from the second wave of the research are compared with those from the first wave. An emphasis is on the speed of the changes in each of these periods: are the shifts between 2010 and 2013 larger or smaller than those between question 2007 and 2010?

Further, we address what housing associations perceive as their most important strategic decisions for the next years. As has been stated in the introduction, all 31 participating housing associations of the first wave were approached for the second wave, and 23 of them took part in this wave. In this paper we compare the results from the 23 respondents in the second wave both with the same 23 respondents in the first wave and with the total group of 31 respondents in that wave.

### ***Shifts in strategic priorities***

First we compare the shifts in balance of pairs of strategic priorities between 2007 and 2010 and between 2010 and 2013. In Figure 7 these shifts are depicted.

**Figure 7** Shifts in balance of pairs of strategic priorities between 2007 and 2010 and between 2010 and 2013



\* This item was not included in the survey held in 2010. For this reason, only a bar for the shift between 2010 and 2013 is depicted.

Most shifts in 2010-2013 are generally perceived as bigger than in 2007-2010, whether all respondents of 2010 or only the respondents among them that also participated in 2013 are taken into account. As for the concentration on low income groups alone the increased shift is plausible, because the new allocation rules became effective in 2011. For the other items, however, the increased shifts are remarkable, because it would be expected that most changes occurred just after the credit crunch in 2008, a period in which also tax levies and national allocation rules were subject of intensive debate in the sector. It might be that respondents perceived the changes to have taken place also in the period after 2010, but on the basis of the research data this possible explanation cannot be confirmed nor rejected. Another possible explanation has been found in one of the interviews, in which the respective senior policy officer said:

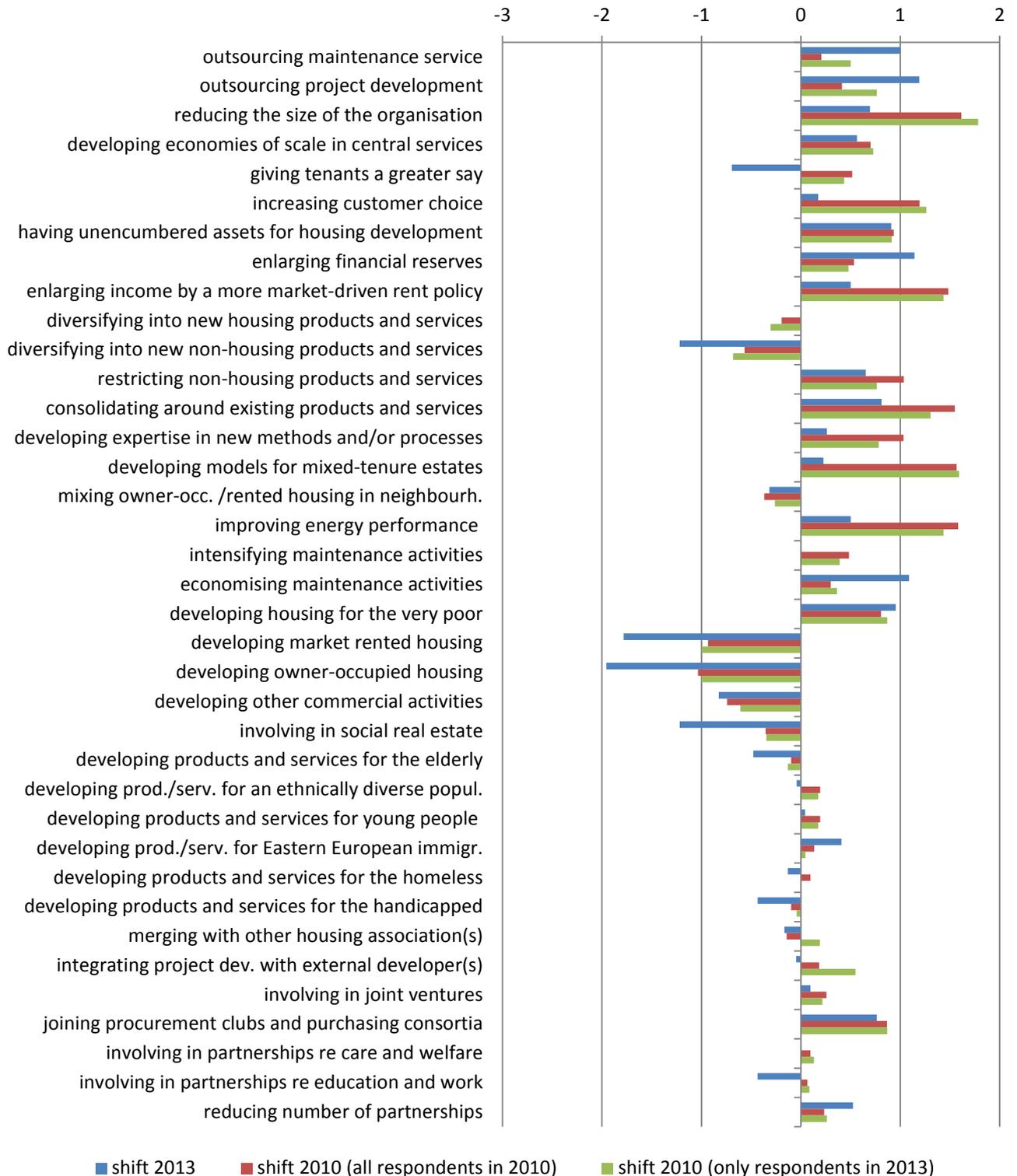
“In the first years of the crisis, we could well go on with the building projects that were still in the pipeline. But now we have much less new projects, and are confronted with a much stricter bank lending policy for the projects that we want to realise.”

This would mean that the consequences of the economic crisis are increasingly felt over the years since its beginning. The most visible shifts are related to the emphasis on commercial activities (strong decrease) and on financial return (strong increase compared to social return).

### *Shifts in strategies*

As has been stated in section 4, in each of the surveys (in 2010 and in 2013) respondents were asked to indicate the importance of a number of strategies for the last three years preceding the survey and for the three years following the survey. The differences in importance between these two periods are depicted for each survey in Figure 8. A negative value denotes a decreasing importance, a positive value an increasing importance.

**Figure 8** Shifts in importance of strategies reported in 2010 and in 2013



As with the strategic priorities, the directions of the shifts are the same for almost all items, which implies that the trends identified in the first wave of the research tend to continue. Nevertheless, the size of the shifts can be very different between the two waves. For instance,

increased shifts can be observed regarding outsourcing maintenance service, outsourcing project development, enlarging financial reserves and economising maintenance activities (growing importance), as well as the development of owner-occupied housing, market rented housing and social real estate (diminishing importance). On the other hand, reducing the size of the organisation, improving the energy performance of the housing stock and consolidating around existing products and services, for instance, was seen as more important for the next years than for the last years in both waves, but the increase in importance in 2010 was bigger than in 2013.

### ***Future strategic decisions***

In the questionnaire, respondents were asked to describe the most important strategic decisions in the coming three years. Room was given for three decisions per respondent, but not all respondents used this room and reported one or two decisions. The 31 respondents in the first wave mentioned 92 decisions in total, the 23 respondents in the second wave 65 decisions. Table 1 presents a categorisation of the reported decisions and, for both waves, the share of each of the categories.

**Table 1** Share of types of most important future strategic decisions, in 2010 and 2013

type of decision	share of reported strategic decisions in first wave (2010)	share of reported strategic decisions in second wave (2013)
back to core business	11 %	8 %
reorganisation	14 %	17 %
income and financial position	13 %	11 %
shift in markets and target groups	8 %	8 %
energy and sustainability	9 %	3 %
geographical territory	3 %	2 %
return and efficacy	11 %	9 %
desired type of organisation	8 %	3 %
affordability	0 %	6 %
client orientation, relationship with tenants	8 %	6 %
relationship with external parties	2 %	8 %
portfolio policy and building programming	10 %	17 %
remaining	4 %	3 %

The table shows that decisions regarding reorganisation, income and financial position, and portfolio policy and building programming were relatively often seen as the most important strategic decisions, both in the first and the second wave (more than 10% for each type in both waves). As for the first wave, this is also true for decisions explicitly aiming at a move back to core business and for decisions related to return and efficacy, but when we compare the respective shares with those of the second wave 2013, a slight drop can be observed.

The table shows considerable drops in the share of decisions regarding energy and sustainability (from 9 to 3% - remarkable given the importance adhered to the topic for the three years after the survey, see Figure 6), the desired type of the organisation (from 8 to 3%). Conversely, the share of decisions regarding portfolio policy and building programming (from 10 to 17%), affordability (from 0 to 6%) and the relationship with external parties (from 2 to 8%) show a considerable increase. The interviews partially explain these trends. As for the relationship with external parties, several interviewees indicated that their organisations reformulated their role: in the past housing associations were often in an initiating and financing role, nowadays they

take a more modest role. This can also mean that they have to look for new parties to realise their ambitions.

The position of affordability as ‘newcomer’ in the list of decision types might be a bit strange, as if housing associations only recently bother about affordability. Interviews, nevertheless, indicate a growing awareness of the subject, caused by lower income levels among households (mostly due to unemployment), the need to raise rents (to generate sufficient income) and new government regulations facilitating extra rent increases.

## **6. Conclusions**

As a result of political and economic developments, Dutch housing associations have been reducing their field of operations, focussing much more on traditional social housing tasks, following over a decade of expansion of activities which lasted up till around 2008. The recent, second wave of the research held in 2013/2014 shows that housing associations have continued and will continue the retreating movement that also became apparent in the first wave in 2010/2011. Our inquiry into the current values show a relatively more entrepreneurial orientation combined with a much stronger business ethos than in 2010. The statements made about activities indicate an even stronger focus on the provision of rental housing for low-income households and a reduction of non-housing services and ‘commercial’ development. Looking at the strategies, the general picture in 2013 is the same as in 2010, with some interesting shifts. For example, a stronger emphasis on reduction of staff and maintenance costs, reinforcing the expectation that increasing business efficiency has gained even more importance now than in previous years. When we compare the housing associations’ priorities in 2010 with 2013 and the expected shift in 2016, we see that the priorities in 2016 and 2013 are very much in line with each other and that the main shifts have been taken place before 2013.

The results of our analysis confirm our expectations that the retreat of Dutch housing associations is continuing, but that the shifts in strategic priorities have taken place mainly in the period 2010-2013. Our findings also indicate that Walker’s (2000) scenario for the UK context, suggesting that on-going managerial and external pressures on social housing organisations are likely to lead to the domination of a property-based approach, emphasising business efficiency, is currently taking shape in the Netherlands. In terms of the classification developed by Gruis (2008) we see a continuous development from an orientation on a Prospector strategy and social orientation, towards a Defender strategy, emphasising a commercial orientation (which in combination with a Defender strategy must be understood in terms of optimising business efficiency and securing financial continuity). In short, housing associations are becoming more and more similar to the archetype of Social Housing Investors.

From a wider societal perspective it will be very interesting to see if and which social problems will occur or will be reinforced by these developments. One of the main points of concern is the tension between the necessity to increase rental income on the one hand and growing concerns about affordability on the other hand, combined with a more stringent focus on low-income households. Another point of concern is what will happen in vulnerable neighbourhoods now housing associations are reducing their community investments as well as physical restructuring activities. Finally, one of the main challenges will be to combine business efficiency with a satisfying level customer support and service. Therefore, one of the main recommendations coming out of our findings is to monitor the outcomes of the shifting priorities. Additionally, it will be interesting to see if there is divergence or convergence in non-profit housing sectors in different countries. Are more or less general neo-liberal policies and economic developments leading to similar trajectories? There are a lot of evidence for a shift away from public housing

provision (e.g. Gibb, 2002; Malpass and Victory, 2010; Blessing, 2014), but to what extent this leads to convergence in the strategies of individual housing providers is largely unknown.

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