

# The consortia of social co-ops in Italy

## Networks like support structures for social enterprise

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# Social co-operation in Italy: a general overview

- A growing sector
  - 7,300 enterprises (+30% between '01-'05), 244,000 employees, 34,000 volunteers, 6,4 billion € turnover, 3,3 million users
- Highly present in certain specific sector of activities
  - Social and health services; work integration of disadvantaged people
- With a big internal variation
  - According to field of activity, territory, age, organizational dimension, governance structure, economic outcomes, etc.
- It is the most widespread and consolidated form of social enterprise in Italy, but a new law allows to widen the sector of intervention (eg. culture, education, social tourism, etc.) and to use new juridical forms (non only co-ops)

# What consortia are

- It is a network of social enterprises aimed at supporting development
  - From the juridical point of view a consortium is a co-op whose members are at list for the 70% social co-ops (there is room for the others)
  - The beneficiaries of the supporting activities are owners of the structure, limiting the risk of burocratization
- It is the most widespread and affirmed support structure for social enterprise
  - Other experiences (eg. incubators) exist but they are not so important
- It is one of the “engine” of the development of social co-operation
  - It is an important internal tool in order to promote and manage there own growt
- There number increase
  - They are almost 300, + 44% between '01-'05 but not all social co-ops are members (about 50%)
  - They are more widespread and structured in evoluted areas; it is necessary to promote them in disadvantaged regions where it appear more needed

# About consortia

- They lead many and various activities which can be classified into three big functions
  - Entrepreneurial (general contracting, projecting, advice to the members to take part in public procurement etc. but also entrepreneurial activities on one's own)
  - Ideological (promoting visibility and reputation of the network throughout institutional partners and public opinion)
  - Technical assistance (fiscal and accounting advice, personnel recruitment, etc.)
- Over time consortia tend to focus on the entrepreneurial function; the ideological one decreases (a little), whereas technical assistance is declining (probably it is externalised to other more specialized organizations)

# A typology of consortia

- Research has shown a plurality of experiences of consortia (there is not one single model)
- It is possible to identify three ideal-types
  - The service centre: support to the start-up and strengthening of the associated enterprises
  - The agency: inclusion of social enterprises into the local development processes (eg. policies “tables”)
  - The territorial network enterprise: consortium as a innovative model of social enterprise
- The classification is not complete and one model does not replace the others. They often coexist within the same structure (sometimes causing “identity problems”)

# Management of consortia (1

- **Mission:** the consortium as a social enterprise
  - It meet not only the interests of members but it pursues “the general interest of the community”
- **Activities:** multiple tasks, multiple interlocutors
  - Social cooperation is more visible and appealing to various subjects (eg. universities, chamber of commerce, enterprises, etc.) and therefore the consortia’s internalization of all the activities it is no longer necessary
  - Need of identifying the core-business, but also delegating the production (or producing togheter) with other organizations (eg. partnership, strategic alliances, net of networks, etc.)
- **Links:** the balance between autonomy and interdependence
  - There are still some loose forms of relation that are created around specific issues and leave a lot of autonomy to the “knot” of the network
  - There are also new hierarchical links and forms of integration amongst different organizations (inside and outside the consortium) in order to produce specific and complex goods (eg. at the crossroad of social, working, housing, etc. policies)

# Management of consortia (2)

- Governance: towards multi-stakeholder consortia
  - The membership of many consortia is composed only of social co-ops even though the law allows to associate other type of members (public and private)
  - It is possible to enlarge the membership to various organizations because it is consistent with the mission of a social enterprise and because it is a way of strengthening the relationships with other economical and social subject
- Sustainability: Costs and benefits of networking
  - The creation and management of a consortium requires investments of economic resources (eg. annual fees of members, incomes on selling of goods and services etc.), but also of non-economic resources (knowledge, experience, social capital, etc).
  - It is crucial, but also quite complex, to account for the economic and social “added value” that is generated by the consortium for different stakeholders (members and external partners). For this reason there is an increasing use of “network’s tools” such as social reporting, ethical codes, quality brands, etc.

# Finally (or better still: going ahead)

- The development and strengthening of social enterprises finds an important element for success thanks to the availability of specialised support structures like consortia
  - Data show that it is convenient to be in the network: social co-ops members of consortia perform better from entrepreneurial (turnover, employment) and social (collaboration and agreements) point of view
- It is necessary to promote policies in favour of these structures
  - The presence of incentives for stimulate social enterprises to create to or join consortia (by limiting the risks of “pulverization”)
  - The recognition by law of the status of support structure (for instance through a “law of the networks”)
  - The study of organisational systems and assets of government (from the “lightest” to the “heaviest” ones), in addition to adequate management tools (such as social accountability)
  - The empowerment of network skills not only of the managers, but also of trainers and consultants