

Short Paper 6/2015

**Cohesive Economy.
The Italian Way to Create
Shared Value**

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Cohesive Economy. The Italian Way to Create Shared Value

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The paper is an excerpt of a wider publication related to the research project entitled "Welfare e Ben-essere: il ruolo delle imprese nello sviluppo della comunità" and led by the Emilia-Romagna Region, Social Policy Department (2014). Particularly, the paper is a synthesis of Chapters 1 and 4 edited by Paolo Venturi and Sara Rago (AICCON).

1. The new role of firms: the framework

The key role played by the firms in building a new kind of welfare is going to become even more relevant, especially as actors able to answer to unmet needs in the social field. This new growing link between enterprises, territories and communities has its roots in several concepts that will be analyzed in the following paragraphs through which we will try to define the framework of this important change.

1.1 From welfare state to welfare society: the value of the community

In order to re-build the necessary equilibrium among the welfare systems, it is fundamental to properly define the concepts of well-being and extended mutuality. Over time, the concept of well-being has progressively come to identify a broader set of notions. Today creating well-being means acting on people's quality of life and freedom of choice for their own development and the development of the community they are part of. As stated by Orsi (2009a), "when talking about welfare, there is a widespread consensus among citizens and the public entity on the illusion according to which institutions, services and experts can solve any problem through specific performances, in a purely consumerist logic. In this situation, the citizen has, on the one hand, hugely increased his expectations towards the welfare system and the institutions in general; on the other hand he now feels he has (and he actually has) a lower level of responsibility and

competence about all the relations that have an influence on life's quality". Moreover, "the consumerist model, that has involved the welfare system, has produced a relational depletion. This is particularly referred to non-economic resources as ethics, values, time, experiences, knowledge, communication skills and friendship".

The welfare state crises, on the one hand brings the risk of a reduction of the universality principle because of the introduction of selective criteria due to cost-cutting policies; on the other hand, it introduces the opportunity to re-think a welfare system based on a common action of several actors, able to guarantee services even to the new categories of vulnerable people (Venturi & Rago, 2012).

In fact, the number of people that, even owning enough cultural and economic resources, are considered in a "vulnerable" condition is constantly growing. This is mainly because they are not part of any relational network and thus they are more exposed to poverty and social marginality conditions (Mazzoli, 2012a).

The solution to this social issue, has to include the creation of a welfare system that "refers to a holistic view of the person, comprehensive of all the dimensions and values for the full realization of its life projects, but also of a social development perspective able to guarantee a high quality of life" (Orsi 2009b).

This is realized in a welfare system that has as ethical foundation the vulnerability principle (Zamagni, 2009). In fact, well-being policies that promote capabilities foster growth and make it sustainable. Moreover, they also generate development because they manage to put together subjectivity recovery (and thus creativity and

initiative rescue) and the necessity to cover the risk due to this same recovery! According to Zamagni (2009), “to sum up, a new welfare able both to increase individual responsibility and to cover new social risk would be, in the current historical situation, the most effective one to foster growth”.

Therefore, what is needed is a concrete application of an enlarged mutuality, which is the creation of coalitions among citizens, firms and institutions to reach higher degrees of quality of life and development. A mutuality based on the concept of “circular subsidiarity”, in which several actors play together to achieve a common goal.

In fact, the welfare state crises has determined, as previously stated, the end of the monocacy where public goods were exclusively produced by the State, private goods by the market and relational goods by the non-profit sector. In fact, to meet the social services demand, today we are increasingly dealing with a plurality of combinations of resources and actors, born from hybridization processes that create new welfare models (Figure 1).

Specifically, as regards the social welfare issue, two dominant hybrid models can be pointed out:

on the one hand, the American and Anglo-Saxon one (highly focused on those actors that operate between the non-profit and for profit sector) and the European model (specifically the Scandinavian and Swedish ones) on the other hand. The latter model is mainly based on those actors that operate between the State and the non-profit sector. Thus, the regeneration of social policies and welfare services should be based on the trichotomy made up of the public sector, the non-profit and the for profit ones. Here is the core of the concept of circular subsidiarity, which can be defined as the most innovative form of subsidiarity especially when compared to the vertical and the horizontal ones. The concept of vertical subsidiarity call for the transfer of sovereignty shares whereas the model of horizontal subsidiarity – notion that is present in the Art 118, comma IV, of the Italian Constitution¹ – provides for the sharing of the powers and of the functions of the public administration among the different institutional levels (Zamagni, 2007).

¹ “State, Regions, Cities, Provinces and Municipalities encourage the autonomy initiatives of the citizens, as individuals or associated, for the development of activities of general-interest, according to the subsidiarity principle”.

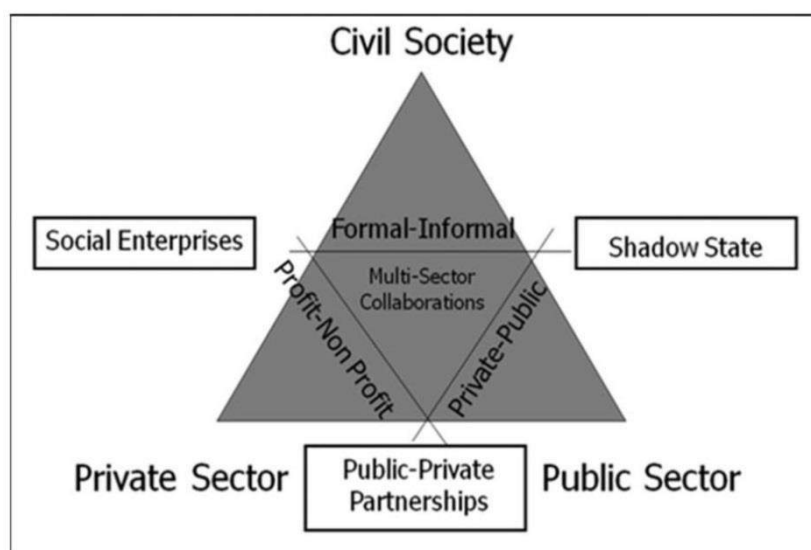


Figure 1. New welfare models

Source: Nicholls (2012)

The idea of circular subsidiarity is a step forward when compared to the other concepts: in fact, it wants the three spheres of society (the public-institutional, the commercial and the one of civil society) to interact in a systematic and enduring manner. Building a welfare system based on this concept, should have as a final goal the production of common good², that is the creation of a system able to grant to every citizen a certain level of services. The State should play a facilitating role (through legislative and administrative measures) of the services supplied by the three sectors already mentioned (Zamagni, 2012). In this way, market instruments help to strengthen the social commitment according to which the State acts as a promoter of the action of the other subjects involved, fostering all the forms of collective action that entail public benefits. That is how, in this process of recreation of the welfare system, the role played by firms becomes crucial not only in the supply of services but also in the process of co-creation *ex ante*.

1.2 The shared value creation

Talking about the corporate sector, in the last years there has been a progressive expansion of the classic concept of firms in respect to the new market dynamics and to the social behaviors of the consumers. This is because, in the past years, also thanks to the birth of the corporate social responsibility, traditional firms have been accused of irresponsibility towards society (Porter & Kramer, 2011). Therefore, it was necessary for companies to

2 Since common good is a result of a factorization (and not of a sum, as total good), eliminating even one of the well-being levels, the final result would be null.

adopt a new perspective: not only they have to demonstrate they are able to maximize their own profits, they also have to provide evidences of their ability to contribute to a new welfare system through actions that have common interest as a goal. An example of this change in perspective is the Italian phenomenon according to which firms are actually operating in social sectors, as provided in the legislative decree n. 155/2006³. We can count 88,000 for profit firms acting in the person care sector, specifically in the management of clinics and professional studios. In fact, an increasing number of companies has understood the importance of showing their contribute to the creation of shared value, concept that conveys the ability to produce economic value together with social value (Porter and Kramer, 2011) (Figure 2). This concept is different from the ones of social responsibility and philanthropy, since it identifies a new way of pursuing economic goals together with the social ones. Thus, the enterprise that is based on the notion of “shared value” makes use of strategies, technologies and processes that are able to involve all the subjects that are part of the system (employees, customers, partners, suppliers) in the process of shared value creation. To say it in another way, we are dealing with those policies and actions that while improving the firm’s competitiveness, are also able to enhance the economic and social conditions of the society where it operates.

3 According to the Art. 2 of the mentioned decree, these sectors are: social assistance, health assistance, education, training, environment protection, cultural goods protection, University education, social tourism, services to social enterprises provided by entities made up for more than 70% by organisations that are part of a social enterprise.

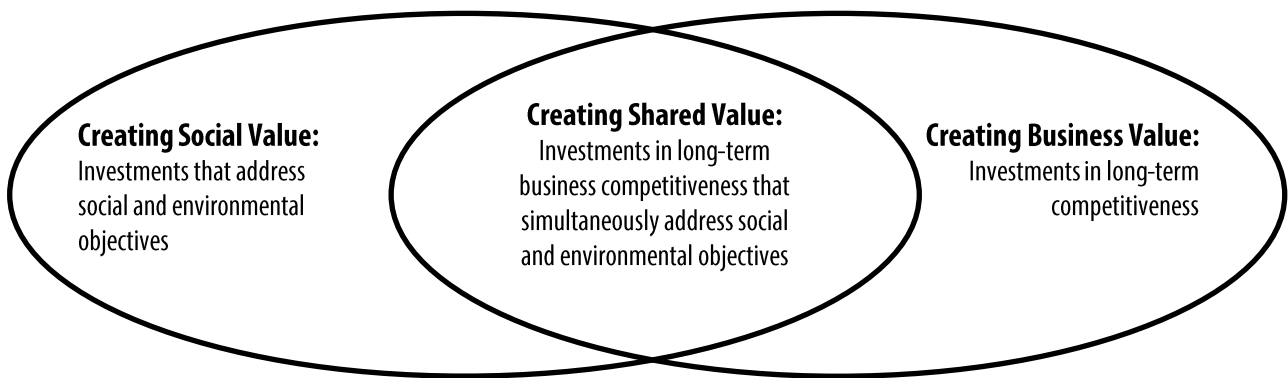


Figure 2. The creation of shared value

Source: Bockstette & Stamp (2013)

Mentioning Breyton & Petrini (2012), we can affirm that “the competitiveness of a firm and the well-being of the community where it operates are strictly linked: the company needs a community in good conditions to hire expert people, an environment able to invest and innovate and an effective demand for its product; in the same way, the community needs successful companies to give employment to its citizens but also to generate well-being and wealth. Moreover, both of them needs public policies able to regulate and foster in an appropriate manner this relationship”. Firms are called to “create or strengthen the connection with the territory and the community in which they operate, even promoting new forms of collaboration with the other actors of the territory to encourage the social progress”. The firm also participates in a sort of “common action” together with public institutions and non-profit actors, with the aim to include in the creation of social services also those that would not directly benefit from corporate welfare policies (as the employees of the firm); they are those people that are not part of a company that grants them some kind of corporate welfare but, at the same time, they do not benefit from services provided by the Public Administration and, as a consequence, would risk to be excluded by the welfare system.

1.3 From government to governance

The creation of a socially responsible welfare system cannot overlook inclusive institutions and behaviors. In a recent paper of Acemoglu & Robinson (2013) also revisited by Zamagni (2013), two kind of institutions within society are pointed out. On the one hand the extractive institutions, or “those that encourage the transformation of the added value produced into parasitic revenue or that foster an allocation of the resources into one of the forms of financial speculation”. On the other hand, the inclusive institutions, those that “facilitate the inclusion of all the resources within the production chain, ensuring the respect of fundamental human rights and the reduction of social inequality”. What is asked to the firms nowadays is, not only to create wealth in a socially acceptable manner but also to work together with the State and the civil society to re-design the economic-institutional arrangement to shift from an extractive order to an inclusive one. In this way, the “civically responsible” firm (Zamagni, 2013b), change its goal to “democratize the market” to grant a multistakeholdership governance of the territory, in which the several institutions that have to generate community well-

being, cooperate. In fact, the civically responsible firm cannot do anything but be interested in the issues linked to the development of the territory, as it is not possible to believe that it is a solely public responsibility or that only the civil society has to cooperate with the State in addressing this problems. The need to cooperate for the creation of a new kind of collaboration among firms, public sector and organized civil society is also highlighted in the concept of “shared social responsibility” also promoted by the European Council in 2011. As Mazzoli said (2012b) about social policies, “either we make plans together, trying to rebuild a common consent, or the risk is to provide niche products, a luxury reserved to those who possessed the competencies or to those that are members of the categories provided for in the institutional mandate”. On a methodological point of view, we are talking about creating “initiatives of collective impact” theorized by Kania & Kramer (2011), or “long-term commitment by a group of actors coming from different sectors for a common project with the aim of solving a specific social problem”. This asks for “a shared view of the change by all the participants, which involves a common interpretation of the problem and a common approach to its solution” (Colozzi, 2012). This is how the passage from government to governance of social policies becomes fundamental. In fact the word “governance” indicates “the coordination and collaboration between public and private actors that overcomes the traditional model of public control to face the new necessities of a system characterized by a plurality of institutional subjects and a high complexity level” (Lenoble & Maesschalck, 2003). For this reason, a reorganization of the governance model of the

social policies that involves all the spheres in the relevant territory is fundamental.

1.4 Governance and local agreements

The creation of a system where the Public Administration, the Third sector and the corporate sector are able to cooperate is the latest development of this new welfare system. For this reason, it is fundamental to manage to create a “virtuous joint” (Ferrera, 2005) among the several solutions within a multilevel and multi-actor model of governance. Within this framework, it is unavoidable the role of the public sector as supervisor, coordinator and regulator, able to encourage new solutions (as mechanism of bottom-up type) and to foster their autonomy within a social market that is co-created and co-managed by the public, the social private and the firms (Mazzoli *et al.*, 2013). This implicitly entails the passing of the social contract theory based on the negotiability concept (as in the corporate welfare). Through the contract, that establishes duties and rights for both parties, citizens believe that they are pursuing their interests in the best possible way. This could be true for a part of the citizens, but another part of them would remain outside of this contract (thus they can be called “excluded” or “marginalized”) definitely implying the impossibility of an efficient functioning of the welfare based on contracts. Even the concept of Corporate Social Responsibility (CSR) makes use of the contract as a both logical and operational tool. Specifically, the CSR has introduced the concept of “social contract” that is “an agreement that would be accepted impartially

and unanimously by the representatives of all the stakeholders” (Degli Antoni, Sacconi, 2009).

The change of the welfare system passes through a change of its basic principle from the concept of negotiability to that of vulnerability. According to Nussbaum (2002) the vulnerability principle arises from social links based on the idea of taking care of other people, originated from a symmetry of needs. In this way, taking care of others becomes a priority for the community (Venturi & Rago, 2012).

The firm creates a network with the community, the institutions and the social enterprises entailing a model of shared governance that produces the “local agreements” for interventions of community welfare. As Gori asserts (2012), “only in this way it is possible to find out the existing needs and resources (both formal and informal), in order to build the adequate answers”. In practice, there is a need to create “local systems where a real integration between private sector and public one takes place, able to build, in the territory, a governance oriented to an integrated and supportive welfare system” (Bettoni, 2012).

Some distinctive features characterize local agreements. First, they are able to share at a systemic level (among several actors) the resources contributed by the enterprises to meet social needs. Second, local agreements are able to create “social capital” that is a net of relationships, norms and trust among the subjects, through their involvement in the production of the welfare services. Third, they produce social innovation that is “new ideas (products, services, models) that are able to meet social needs and to create new social relations and collaborations simultaneously. To say it in another way, we are talking about innovations that have a positive effects on society but are also

able to reinforce the capacity to act of a society. Last, they are “generators”: at the same time, they generate economic and social value but also cultural and environmental value (those elements that encourage further innovations).

The management of the firm through local agreements enables to “internalise” the role of the firm within the new welfare generating a new mutuality that is visible in the common goals and processes to build a path for cooperative welfare, where each actor shares some tools to reach goals that are common to the plurality of actors.

1.5 Understanding shared value

The changing movement that is taking place within the economic sphere has a double nature. On the one hand, the production models of the economic and social institution have been changing; as an example we can consider the development of the idea of shared value for the corporate sector and the marketization of the non-profit organizations⁴; but we can also think to the hybridization processes of social enterprises (that is, their tendency to develop the enterprise taking into account both a social and an economic goal) and to the main changes of the public sphere, progressively more oriented to coproduction type of services (Orlandini, Rago, Venturi, 2014) and to the arrangement of partnership between the private and the public sectors (PPP). On the other hand, we are dealing with a deep change in the way the value is created.

4 To know more, cfr. “9th census on manufacturing and services and census on non-profit institutions. First results”, available at: http://censimentoindustrieservizi.istat.it/istatcens/wp-content/uploads/2013/07/Fascicolo_CIS_PrimiRisultati_completo.pdf

For this reason, the main purpose of this research is to identify the methods through which the firms, in relation with the public and the third sector, generate added value (social, economic and institutional) and contribute to the production of shared value. The added value is indeed a concept (already explored within the previous research held by the Emilia-Romagna Region “Another welfare: generative experience”, 2011) that is a necessary condition, but not a sufficient one, for the creation of shared value. In this framework, the role played by the firms, thought of as an organization in connection with its ecosystem, becomes crucial. The company contributes to the production of added economic value, as an increase (or a non-depletion) of wealth, and, at the same time, it contributes to the creation of added social value that is the creation of goods in terms of social relations and social capital.

Last, the firm has a role in creating the added institutional value, which is given by an empowerment of the concept of horizontal subsidiarity and of the intra-institutional and inter-institutional relations.

This added value contributed by the firms, is given back to the firms themselves, through social innovation processes and thanks to the concept of shared value (Figure 3): as Pizzocchero affirms (2013), “an enterprise that operates in a strong social-economic environment and that contributes to its development, can be defined as sustainable and gets a substantial competitive advantage”. In the framework we have just presented, the firm “generates a full sharing of its tangible and intangible resources with the society/community in which it operates, to contribute, also through profit generation, to meet social needs”.

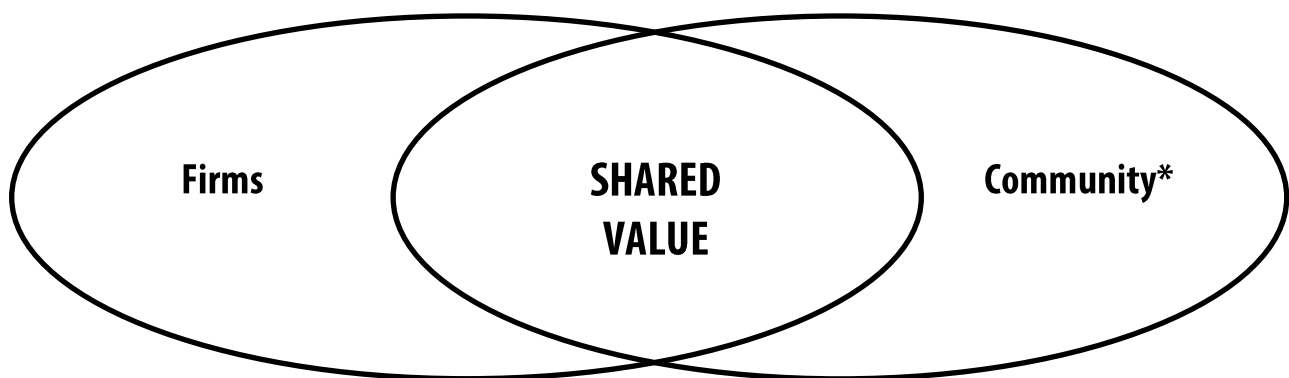


Figure 3. The creation of shared value

Source: Venturi, Rago (2013)

*The word “community” includes non-profit organisations, social enterprises and social cooperatives.

1.6 Table of experiences

In order to fully analyse the concept of shared value, it has been declined in three dimensions:

- *social value for the community*: it is the specific contribution of one or more organizations of innovative answers to unmet and emergent needs through the creation of relations and social capital. Moreover, it can be defined as the input provided by the firm in terms of values such as equity, tolerance, solidarity, social cohesion and mutuality;
- *institutional value*: It is the organization contribution in empowering the horizontal subsidiarity concept and the intra-institutional and inter-institutional relations;
- *economic value*: it is given by the increase (or non-depletion) of wealth, produced by one or more organizations that are striving to create new answers for the community. It can also represent the ability of an organization to rapidly change its values and the consequent feel of belonging both internally and externally.

Those three dimensions have been used to identify the projects (among the ones presented) that have been further analysed. Specifically, the aim of the chart is to point out some criteria and dimensions, relevant for the creation of shared value, which could be useful to analyse the projects. Twenty-five case studies have been selected (Annex 1), twelve of them have been analysed and seven have been

chosen to be further inquired and presented in the final report.

2. The created shared value

2.1. Ways to shared value creation

As it has been said, the firm can play an active role in society and contribute to the production of economic, social and institutional added value, creating shared value and answering to the community needs. The creation of shared value by the firm can vary depending on whether it is produced for the use of primary stakeholders (the employees) or secondary ones (subjects external to the company). In the first case, we are talking about corporate welfare, that is, a kind of welfare based on the social contract theory, bound by a stable and contractualized business relation. In the second case, the firm engages in actions in the social field that aim to improve the well-being of the whole society, overlooking the contractual relation. This concept has been visually represented in the figure 4 where shared value is made up of corporate welfare and social activities for the community. This research is focused on the second category mentioned: the non-contractualized shared value. For this reason, several virtuous cases in Emilia-Romagna have been analysed to identify four different methods to create shared value, that is, four ways to answer to social needs, as in the figure 5.

The first way of creating value consists in the creation of *social capital by strong territorial relationships among SMEs and the community*. In

fact, work inclusion of disadvantaged people in SMEs and educational-training courses in collaboration with companies create a social safeguard on the territory through the commercial network. In that way, social inclusion and job introduction of people with disabilities in commercial firms allows beneficiaries to enhance their vocational and social skills through the experience in not-protected places and in very close

contact with customers. At the same time, companies play an active role in the creation of shared value by sustaining projects aimed at community well-being and through the collaboration with the Third sector to reduce disadvantaged situations.

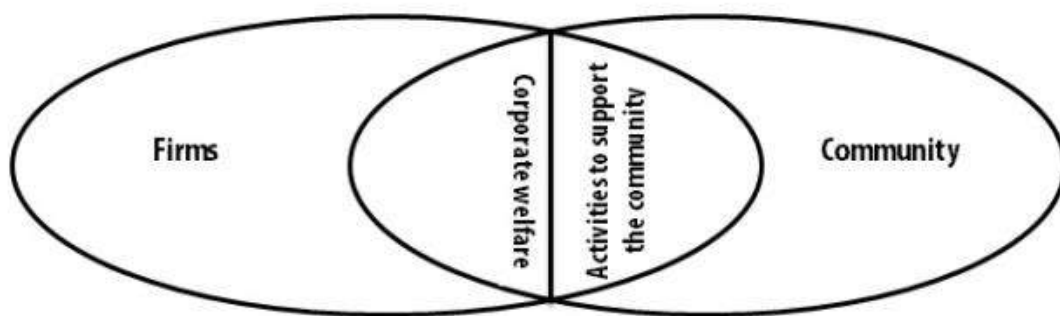


Figure 4. The components of shared value

A second cluster is related to the establishment of a *productive chain including social enterprises and for profit firms*. This allows creating a strong relationship between the community and the production of value through the relation among firms and working integration social enterprises. These collaborations guarantee a working activity to disadvantaged people integrated in social co-operatives enabling the achievement of a double goal.

On the one hand, the decreasing of local welfare services and of the related costs through the integration of new workers in training and working pathways by social co-operatives; on the other hand, at the same time the possibility for the firm to create economic value (the production of goods and services), social value (disadvantaged people integration) and institutional value (taking on itself a local social need).

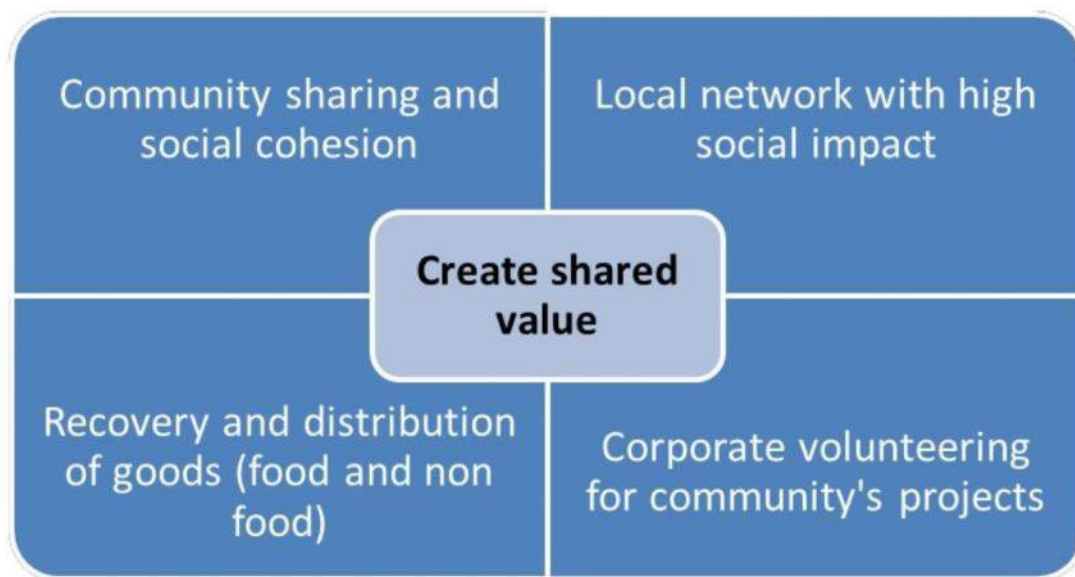


Figure 5. Processes to create shared value

The third cluster concerns *big co-operatives and firms involved in the re-use sector of activity or in the re-distribution of goods within the community through the involvement of the non-profit organizations*. In this cluster, co-ops and firms donate products (either food or not) that cannot be commercialized anymore, for the aim of the project. These offered goods are distributed for free to socially and economically disadvantaged people and families. Benefits of this action are both social and environmental. The re-use of surplus contributes to waste reduction and to energy saving, reducing the wastefulness of water, energy and soil consumption allowing these resources to be used for the production of food. At the same time, this activity produces an economic saving, allowing non-profit organisations and other institutions to invest the same amount used before to buy foods to poor people in other social project and policies. From a social point of view, this allows effectively sustaining vulnerable people responding to their

needs involving many different social players in community projects.

The latter way to create shared value is represented by corporate volunteering programs, where employees dedicate part of their time to community initiatives. Volunteering pathways are planned together with local non-profit organizations sharing goals and operating ways. Corporate volunteering is beneficial at both personal (for each employee), business, and community level. The community and the Third sector can benefit from the stable and structured commitment of new volunteers aimed at reducing local issues by their direct involvement in associations and related projects. Moreover, the collaboration between citizens (employees), firms and Third sector will improve social cohesion and community awareness. From the company perspective, these initiatives allow improving corporate reputation and consequently brings a positive economic return. Volunteering experiences also represent training opportunities to empower cross-curricular skills of employees, team building,

and employees' motivation. Indeed, employees have the opportunity to make an effort in sustaining the community, improving both their self-confidence and company environment in terms of relationships, team building and business values acceptance.

This division is the result of the analysis of the case studies in the third chapter. Figure 6 collocates the case studies within the four corresponding modality of creation of shared value.



Figure 6. Analysed case studies within the framework

2.2. The internalization of the shared value within the firms

The creation of non-contractualized shared value for the realization of social and communitarian activities has effects both internally (in terms of efficiency, internal culture, competencies of the employees) and externally (social cohesion, relations with the Public Administration etc.). Starting from the analyzed case studies, four different ways according to which firms internalize the creation of shared value, have been identified (Figure 7). In some cases, the creation of shared value becomes part of the brand identity and thus a

fundamental relational element that identifies the firm as an organization that contributes to social well-being. In this case, the firm considers the creation of value as a strategy for its reputation and improvement of its external image. We can mention the project "VolontariAmo" that has produced a positive impact in reputational terms and an improvement in the relation between the company and its customers.

The generation of shared value has also an impact on the firm's culture. Culture can be defined as the set of the fundamental propositions that an enterprise has developed in facing internal and external challenges, that are considered valid and to be passed to the new members as the correct way

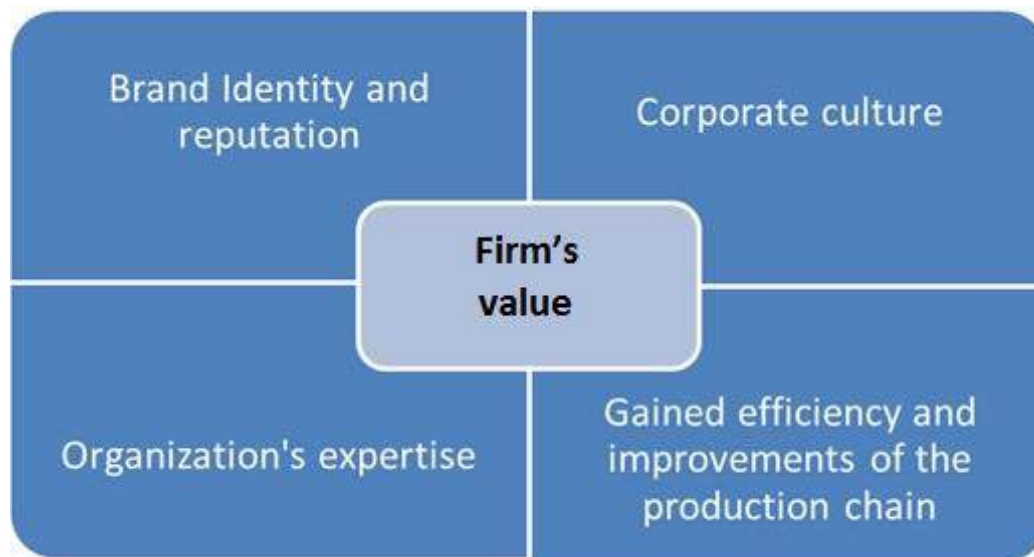


Figure 7. How to internalize the shared value within the firm

to proceed (Schein, 1990). In some of the analyzed cases, the social projects have caused a deep change in the firm culture bringing values such as respect, openness to diversity, importance of listening and communicating and empathy. This change has led to a change in how internal and external relations are managed (some examples are “Non Congelateci il Sorriso”, “VolontariAmo”, “Alici per gli amici”, “L’antiBARriera”). Moreover, the social activity within the community can increase the competencies of the employees and of the organization as a whole, specifically in the relational dimension. These activities are educational opportunities for the whole organization that allow to improve competencies associated to relations but also to adaptability in different environment and team building, improving the business environment at the same time. Last, the firm produces internal value also thanks to the improvement of the production chain and to the gain of efficiency, obtaining economic benefits. This features is clearly identifiable in the area “recovery and redistribution of goods” where the firms improve their efficiency and review all

their production systems according to waste management.

2.3. Evidences of shared value for the community

The value produced gives evidence of itself in several ways within the community (Figure 8): in strengthening of social cohesion, in the relation with the territory and the creation of value for it, in the relation with the Public Administration and in answering to the services’ demand. The immediate consequence is linked to the positive effects that the activities have on the beneficiaries, the citizens and the society as a whole. Furthermore, positive externalities are produced within the territory and for the territory by these activities that entail the development of social entrepreneurship, the recoup of local traditions, the creation of services useful to meet the needs of the community.



Figure 8. How to share the created value with the community

The community value becomes a process of appraising the territory to foster a local development. Some relevant examples are “Non Congelateci il Sorriso”, “Alici per gli amici” and “L’antiBARRiera” that strive to develop the local territory involving the community.

When talking about social cohesion, we indicate strong social relations built upon the feeling of belonging to the territory: the set of behaviours and links of solidarity among individuals or communities that aim to reduce the inequalities linked to social, economic, cultural and ethnical situations. This community value is present in various forms in all the cases we have analysed.

Last, the value produced by the entrepreneurial activities can influence the relation with the Public Administration. The collaboration on specific projects with local entities or schools generates shared value because improves the quality of public services. This feature is particularly clear in the project “Non Congelateci il Sorriso” that has had such a great positive impact that has been introduced in the educational strategies of the schools involved. Given this, the following table analyses the case studies of this research and highlights what kind of value the projects have generated.

1. NON CONGELATECI IL SORRISO

Internal Value	Community Value
Brand identity and reputation	Beneficiaries empowerment
Corporate culture	Environment and community development
	Social Cohesion
	Quality improvement of public services

2. CMS COSTRUZIONI MECCANICHE

Internal Value	Community Value
Corporate culture	Beneficiaries empowerment
Organization’s expertise	Social Cohesion

3. PORTOBELLO – Emporio Sociale di Modena

Internal Value	Community Value
Gained efficiency and improvement of production chain	Beneficiaries empowerment
	Social Cohesion

4. EMPORIO DI PARMA

Internal Value	Community Value
Gained efficiency and improvement of production chain	Beneficiaries empowerment
Organization's expertise	Social Cohesion

5. CIBO AMICO

Internal Value	Community Value
Gained efficiency and improvement of production chain	Beneficiaries empowerment
	Social Cohesion

6. AMICI PER LE ALICI

Internal Value	Community Value
Brand Identity	Beneficiaries empowerment
Corporate culture	Social Cohesion
Gained efficiency and improvement of production chain	Environment and community development
Organization's expertise	

7. L'ANTIBARRIERA

Internal Value	Community Value
Corporate culture	Beneficiaries empowerment
	Environment and community development
	Social Cohesion

2.4. Future perspectives of shared value

As already stated, the concept of shared value is constantly developing: firms were mainly concerned with the maximization of the economic profits whereas now, also due to the global crisis, they are open to a new production model, the one of the shared value indeed, becoming part of that set of actors that participate in the shared social responsibility. Recently, the European Council has adopted a Chart for the Shared Social Responsibility⁵ through which the necessity to make an agreement among all the involved actors is emphasized. The main purpose of the document is the creation of an inclusive society in respect to inequalities, poverty and discriminations through the promotion of human rights, social cohesion and of the well-being as the basis for a democratic society. Moreover, the document provides for the involvement of a plurality of actors that have to be responsible for achieving the above-mentioned goal in a perspective able to ensure social justice, sustainability and solidarity. Among these actors, firms are explicitly mentioned; they are “encouraged to adapt their principles of governance and management to the concept of shared social responsibility, so that:

- a) rethink their goals and processes, taking into account their own impact in the community where they operate;
- b) look for long-lasting competitive advantages considering social needs and

adjusting the production processes consequently;

- c) taking into consideration in the decision making process, the perspective of workers, consumers and of the most relevant organizations of civil society;
- d) develop ways of dealing with relations and conflicts through dialogue, trust and reciprocal respect, both internally and with the stakeholders of the community and of the territory;
- e) periodically publish some report on the social impact of their own activities.”

This research, together with the analyzed case studies have to be read according to the framework of the Chart of the Social Shared Responsibility. The firm, as already stated, creates value for the society and, in doing so, is able to generate value for itself too.

Conclusions

The urgency of rethinking the system of social policies is a concept given for granted. To intervene to solve this issue does not simply mean maximizing the efficiency of the social sector but instead trying to build a new perspective. A new modus operandi able to deeply change the pure redistributive logic that is behind the classic welfare system should be introduced. This research is a contribution to this purpose.

Starting from the previous research, “Another welfare: generative experiences (2011)”, a theoretic approach (the concept of shared value) has been developed and a new model of social policies that moves toward the community welfare, has been highlighted.

⁵ Recommendation CM/Rec(2014)1 of the Committee of Ministers to member States on the Council of Europe Charter on shared social responsibility.

The idea on which this welfare model is based is completely different from the one at the basis of the classic model. In this latter, the State takes on responsibility of redistributing the resources in a paternalistic way, in order to reduce inequality produced by the market. Conversely, in the former, all the actors of the community (the State, the market, the Third Sector and the citizens) are involved from the beginning in the production and redistribution of value. In fact, rethinking the system in a participative way does not simply imply paying attention to the quality of the services and to the equality of the distribution, but it also requires an involvement of the actors in a perspective of circular subsidiarity.

In this way, welfare becomes an asset, fundamental for the Public Administration, the non-profit sector and the corporate world,

essential to create a new development model that allows, on the one hand to stop the recession and on the other to guarantee better future perspectives, both socially and economically speaking. In fact, within this complicated scenario, the shared value is created.

This value arises from the coproduction path created by the involved subjects, able to meet new social needs and to foster social innovation processes. In this way, the community welfare, as a model able to face the growing vulnerability of the individuals (Venturi and Rago, 2012), is comprehensive of several dimensions: economic, social community and institutional. It is a kind of welfare that has relationships as a focal point, element that cannot be disregarded when creating inclusive social policies, able to solve the problem of inequality and to increase the level of well-being within the society.



In addition, the European strategy (Europe 2020) is moving towards a new measure along with the GDP, able to take into account factors such as energetic efficiency, education and training, support to the job market, entrepreneurship, social innovation and investment in social economy and green economy. This is happening because of the focus on a more inclusive and fair concept of economic growth, able to encourage a sustainable development, the elimination of poverty and the well-being of the

population as a whole. In fact, as Joseph E. Stiglitz sustains “What we measure influences our actions. If we use wrong indexes, we will strive to reach the wrong objectives”. This is to say that, since we are changing our measures of economic growth, our welfare system necessarily has to change too. This welfare model has found in Emilia Romagna a good environment to develop and, as the research have shown, it has started producing the first results.

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Annex 1. Initial list of projects

Project	Main sector(s) of activity	Area(s)
Non Congelateci il Sorriso	Bullying/Education/Teenagers	Rimini
Caregiver Day	Social/Health	Regione Emilia-Romagna
Asilo Nido Cornelia	Childhood/Education	Imola
Enterprise Business game	Education	Ravenna
Insieme per creare valore sociale	Job integration/Unprivileged	Faenza
Cooperativa Parma 80	Housing/vulnerability	Parma
Recupero derrate alimentari	Economic disadvantages/vulnerability	Regione Emilia-Romagna
È ora di cambiare tono	Gender equality	Regione Emilia-Romagna
Trasporto Sociale Sanitario	Social/Health	Carpi
La strada come stile di vita	Prevention/job	Regione Emilia-Romagna
Una rete tra le reti	Social inclusion	Regione Emilia-Romagna
CMS Costruzioni Meccaniche	Business volunteering; community welfare (social/health, education, etc.)	Modena
Portobello - emporio sociale Modena	Reduction of economic disadvantages/vulnerability	Modena
Emporio Parma	Reduction of economic disadvantages/vulnerability	Parma
Welfare Italia Forlì	Care	Forlì
Progetto Believe Me	Education	Carpi
Progetto Arca	Waste disposal	Nonantola (MO)
Cibo Amico	Reduction of economic disadvantages/vulnerability	Modena
Laboratorio Protetto	Job introduction/disadvantaged	Modena
Noi ci siamo. Insieme per non essere soli	Social/Health	Bologna
L'antiBARriera: dal chicco di caffè alla tazzina attraverso diverse abilità	Social/Health	Parma
La Meridiana: una rete per i giovani	Education	Casalecchio (BO)
Alici per gli amici	Job introduction/disadvantaged	Ferrara
Casa dell'Acqua	Environment	Rimini
Mercato del Contadino	Educational/resource valorisation	Rimini

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