



MUTUAL LEARNING SESSION

COOPERATIVES' SOCIAL IMPACT MEASUREMENT

Online - 14 July 2021
10:00 AM (CEST)

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Introduction

In continuation with the activities started at the end of 2019 in Brussels, CECOP and its members met for a seminar on the issue of cooperatives social impact measurement. The event took place on the 14th of July, and it served as a moment to learn from each other's experiences on tools of social impact measurement of industrial and services cooperatives existing in Europe.

The mutual learning session was organized in reference to the toolkit for members, [Measuring Social Impact of Industrial and Services cooperatives in Europe](#), that CECOP published last year. The toolkit aimed to illustrate current practices in Europe regarding social impact measurement, and orient CECOP members who do not have an established methodology for the collection of data on social impact towards useful resources.

By organizing the mutual learning session, CECOP provided a space of exchange among those members who have established practices in collecting data on social impact and those who do not. In addition, to understand better the usefulness of assessing the social dimension and impact of cooperatives in society, the participants were invited to answer two main questions, such as what cooperatives' social impact for them is and why it is important to measure it.

With presentations by Confecooperative Federsolidarietà (Italy), COCETA and Xarxa d'Economia Solidaria de Catalunya (Spain), NAUWC (Poland), CASES (Portugal) and CONFECOOP (Portugal), members had the chance to learn about different approaches and methods of measuring social impact and exchange on the challenges and opportunities related to the use and application of measurement tools.

Participants

17 participants from 8 countries (Italy, Spain, Poland, Portugal, Finland, Rumania, Belgium, UK) took part in the mutual learning session.

Presentations were held by Valerio Pellirossi (Confcooperative Fedesolarietà - Italy), Ruben Surinach Padilla (Xarxa d'Economia Solidaria de Catalunya - Spain) in collaboration with Pedro Blazquez (COCETA - Spain), Joanna Brzozowska-Wabik (NAUWC - Poland), and Eduardo Pedroso (CASES - Portugal) in collaboration with Joaquim Pequicho (CONFECOOP - Portugal).



Measuring Social Impact: Reasons, Methods, and Challenges

In this paragraph we report briefly the experiences shared during the mutual learning session. More detailed information on the tools presented can be found in the [toolkit for members](#).

Bilancio Sociale and social impact measurement in Italy

In 2021, the *Bilancio Sociale* became a legal requirement for social cooperatives and social enterprises in Italy. This requirement is building on existing regional experiences and voluntary initiatives of the cooperatives and their federations. A first web-based tool for social impact measurement was already developed in 2009-2010 by Confcooperative Fedesolarietà. The existing platform was used until 2020 and had 1890 active users and was producing 4200 *Bilanci Sociali*.

In 2019, the Italian Ministry of Labor developed under the title '*Bilancio Sociale*' new guidelines on measuring the social impact at the national level. The social auditing is now compulsory, while the use of the online platform is not. However, the new platform has today already 2700 active users, among social cooperatives and social enterprises. The rollout of this new measurement tool has been supported by a range of regional and national webinars and contact points, which allowed the affiliated cooperatives to learn how to conduct a *Bilancio Sociale*.

The *Bilancio Sociale* is not only a legal requirement, but also a rich source of data on social cooperatives and social enterprises for researchers and cooperative federations as well as the innovation of the community.

Balanç Social and social impact measurement in Spain

COCETA's view on why measuring social impact:

- As a way to measure the contributions of the cooperatives in the society
- To give it visibility as a reference model for socio-economic changes
- To provide stand measures for social economy enterprises
- Raise awareness on cooperatives contributions to the ODG

As an example some important data emerged on worker cooperatives in Spain as a result of the [social audit report](#) published by REAS (Red de Redes de Economía Alternativa y Solidaria) in 2020 that collected data from 495 social enterprises, 154 of which are worker cooperatives, all around Spain:

The audited cooperatives provide jobs to 4076 workers, of which 19% are worker members and 63 % are women. Furthermore, the audit showed that 50% of the workers, of which almost 60% are women, participate in the strategy and budget plan of their cooperatives.

In addition, 90% or more of the audited cooperatives make efforts to improve their economic sustainability, their work-life balance and create intercooperation with other similarly oriented actors.

Since 2018, the REAS network started to use the technical platform developed by XES (the Xarxa d'Economia Solidaria de Catalunya) to standardize the data collection in different regions in Spain

XES or the Catalan Network for Solidarity Economy, is a second-degree association composed of 320 social enterprises active in Catalunya, 65% of which are cooperatives and 54% worker cooperatives.

Differently from the Italian case, the social auditing is voluntary and sees an average of 500 respondents per year. The XES' online tool is used by organizations not just to reinforce the advocacy and promotion of those enterprises, but also to improve their internal management.

The platform is an open source and can be used and adapted by any social and solidarity economy actor. However, in the process of standardizing the data collection five key points are shared by all actors in the REAS network:

1. A common platform for data collection
2. A common set of indicators

3. A coordinated campaign with the same image and timeline
4. A common final report that aggregates data
5. A task force to coordinate all networks

Cooperative auditing and social impact measurement in Poland

Poland has a long tradition of cooperative auditing, which exists since 1920. Today, all cooperatives need to conduct an audit every three years, or under certain circumstances, every year. The cooperative audit aims to check compliance with the law and the provision of the statute, but also checks the cooperatives' commitments to answer members' needs and implement its economic, social, and cultural goals. Auditors cannot impose penalties but can provide advice to cooperatives to improve their management.

The cooperative audit might be a good starting point for a social impact measurement system, as a standardized and certified process by the National Cooperative Council. However, for the moment, there is no aggregation and comparison of data.

Concerning the measuring of social impact for the social economy in Poland, this is a wide discussed issue since the beginning of the 2000s. Several are the tools have developed since then, to measure social impact, but all have shown a scarce participation. The reasons are mainly due to the lack of resources of the single enterprises, the complexity of the information required, the diversity of data collected by the different tools and the lack of motivation accompanied by an already overloaded reporting system.

According to NAUWC, the National Auditing Union of Cooperatives, one solution would be to include social impact factors in the public statistics. In 2022, the national statistics office will start regularly researching social, workers and disabled people cooperatives that being cooperatives strictly connected with creating and maintaining jobs are part of the social economy sector in Poland. However, the reports developed so far do not separate data for different types of enterprises. There is hope this will be improved in the future.

CASES' case and social impact measurement in Portugal

CASES is a public interest cooperative for the social economy whose members are the State and six Portuguese representative organizations of the social economy, including CECOP member CONFECOOP.

Whereas the tools developed by CASES are not directly aimed to measure social impact but to provide knowledge and statistical recognition of the social economy sector, CASES is developing other tools to measure the social dimension.

CASES has the legal power to supervise and audit the use of the cooperative form and it can issue a credential proving that cooperatives are legally constitutional and sectioning powers. They collect all the information that cooperatives must report by law. Through an online platform, they collect mandatory information, mostly related to financial aspects, but also

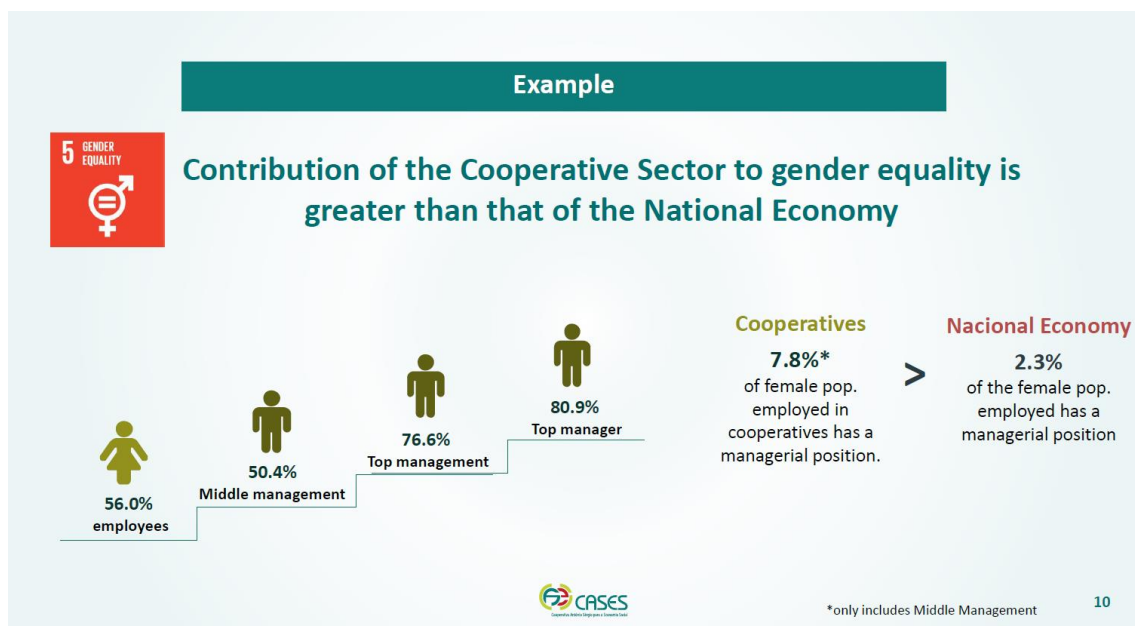
voluntary information on aspects mostly related to the social dimension of the cooperative, such as employment characteristics.

This data collection is open to all sorts of cooperatives but allows to divide the information by each branch. Its access is free.

Data is then used to produce reports and studies to support their advocacy/promotional work. The data collection is developed in correspondence with the indicators of the United Nations Sustainable Development Goals' framework.

Another important tool CASES works on, in collaboration with the national statistical institute, is the creation and maintenance of the Social Economy Satellite Accounts (SEAS) which includes all 71,000 social economy entities in Portugal, including 2000 cooperatives. The purpose of the Satellite Accounts is mainly to understand the positioning of social economy entities in the Portuguese economy, including social and non-economic dimension. The data collection doesn't consist of surveys but on collecting existing information, allowing the production of more surveys for the promotion of the social economy sector.

A third tool consist in promoting and collaborating in boosting training in the social economy sector to strengthen the skills and sustainability of the organizations.



In conclusion of the presentations, CONFECOOP shared some important thoughts related to social impact measurement:

1. The difficulty of moving away from the idea that measurement of social impact serves to justify the funding allocated.
2. The need for organizations to prove that what they do brings results, placing competition for funding and marketing enhancement as a priority to attract support in a fundraising logic.

3. The need to justify funding, when organizations play the role of the state in the fulfillment of constitutional rights.
4. The high risk of 'fashion', assuming itself as the demagogue of the truth and the difficulty of recognizing its subjectivity.
5. The existence of a large number of methodologies.
6. The dangers of the capitalization of social work, the rush for results, the temptation for the sexy (things out of the box) and the risk of "parachutists" – anyone can do "good".
7. The risk of a vision focused on the performance of the consequences and to reach results in a way that is much faster and cheaper.

These points, shared also by other participants, were a perfect conclusion for the session, inviting to further discussions on the topic.

Conclusion

During the mutual learning session, the question of social impact measurement was discussed from various angles.

On one hand, different tools to measure social impact were presented.

Several of the examples discussed showed that online tools can make reporting much easier and avoid different methodologies that might make social impact studies unnecessarily complex and results incomparable. Furthermore, it showed that cooperation between cooperative federations and national statistic offices can be fruitful.

Participants also identified a range of challenges in developing social impact measurement tools or the collection of data, such as a lack of resources or motivation from the cooperatives, but also the fear of a 'grading system' that can lead to sanctions. Therefore, it was highlighted that the aims of social impact measurement are clearly and transparently communicated.

On the other hand, the cooperatives' federations could share their thoughts about why it is important to measure cooperatives' social impact and concerns related to it.

While cooperatives' social impact measurement is seen as a useful instrument to support and promote the social economy sector, and for cooperatives themselves to improve their performance, it is important to be aware of the risks of capitalizing and instrumentalizing the cooperative model, whose aim is to provide answers to the needs and the rights of people, not to give the best performance.

