



Measuring the Social Impact of Industrial and Service Cooperatives in Europe



A toolkit for members

CECOP 
CICOPA Europe





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This toolkit is based on the report 'Measuring the Social Impact of Cooperatives in Europe' written by Gabriel Salathé-Beaulieu for CECOP in 2019.

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List of Acronyms

CASES: Cooperativa António Sérgio para a Economia Social

CEARC: Centre of Excellence in Accounting and Reporting for Co-Operatives

CECOP: European confederation of industrial and service cooperatives

GRI: Global Reporting Initiative

INE: Instituto Nacional de Estatística

OBESP: Observatório da Economia Social Portuguesa

SROI: Social Return on Investment

SSE: Social and Solidarity Economy

TIESS : Territoires innovants en économie sociale et solidaire

VISES : Valorisons ensemble l'Impact Social de l'Entrepreneuriat Social

XES: Xarxa d'Economia Solidària

Introduction

Purpose of this toolkit

Produced as a follow-up to the seminar on cooperative social impact organized by CECOP for its members on 19 November 2019, the main purposes of this toolkit are to **illustrate current practices** 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.

To this end, the following initiatives within the CECOP network are presented in this toolkit: "*Bilancio sociale*" in Italy, "*XES' Balanç social*" in Spain, "The cooperative revision" in Poland, France, and Italy, and "The use of surveys and statistics" in Portugal. We are also including one initiative used by social economy actors, the "*Projet VISES*" in Belgium and France, that could be useful for members.

For each initiative, we have highlighted the following key aspects:

- Description of the initiative
- Users and incentives: The number, and type of users, and the reason they engage in the process.
- Coverage: Aspects of the cooperative considered by the tool.
- Resulting data: Comparability of the resultant data.

This toolkit was developed with the support of Gabriel Salathé-Beaulieu, Project Manager on Social Impact Measurement at TIESS (*Territoires Innovants en Économie Sociale et Solidaire*) in Montreal, Canada and the support of CECOP members, and national experts who have contributed to the research work and the document review.

A brief history

Cooperatives are not the first nor the only ones to care about the social impact of their activities. All organizations want to have an understanding of the consequences and impact of their activities. But, while tools that assess financial performance are now rather well standardized, those related to social and environmental dimensions are less so. The quest for better information on this front led to various streams of research and practices through history¹:

- Since World War II, governments who ran increasingly large social programs through foreign aid, both domestically and abroad, asked for more systematic assessment of the quality and results of these interventions. This led to the development of evaluation as a professional and academic field, with manuals, online resources, trainings in academic institutions, professional associations, and so on.
- A few decades later, corporations became increasingly expected to be able to report on some non-financial indicators, especially regarding their governance, workers, and environmental footprint. Global standards, such as the Global Reporting Initiative (GRI) and Integrated Reporting developed in the 2000s, are now widely adopted by large corporations, including some cooperatives, as a reference for sustainability reporting.
- Eventually, finance and philanthropy also caught up with this trend. Decision makers with business backgrounds were used to looking at the financial bottom line, and now wanted by analogy, better information about the social bottom line², or the "Social Return on Investment (SROI)". This concern became especially salient after the 2008 financial crisis, and we now see a multiplication of actors claiming to be focused on impact: impact finance, social impact bonds, Pact for Impact, and so on.

[1] To learn more on the history of evaluation and social impact measurement [read here](#).

[2] In the early 2000, an influential initiative funded by the Rockefeller Foundation was precisely called the "double bottom line" project (Clark et al. 2004).

What about cooperatives and other social and solidarity economy (SSE) organizations? Given their structure that is founded on a social mission and supplemented by an economic activity, these organizations developed their own tradition assessing their social performance much before impact measurement became fashionable. For instance:

- In France, the notion of utilité sociale was developed a few decades back to distinguish activities that are primarily beneficial to society as a whole from those that are beneficial to individuals or specific groups, and thus grant preferential fiscal treatment to the former.
- In Italy, France, Germany, and Poland, cooperative revisions and social audits have a long history. Already in 1920, cooperatives in Poland, and in 1930 in Germany, were required to complete a cooperative audit. In France, cooperatives must conduct a cooperative revision every 5 years since 1947, an obligation that was revised in 1983 and subsequently in 2014. In the late 1990s, the *Centre des jeunes dirigeants de l'économie sociale* developed the bilan sociétal, with the purpose of supporting SSE organizations to go beyond conventional social assessment (Auberger-Barré 2002). Italy has a similar story, with a law enacted in 1948 requiring each cooperative to complete a cooperative revision every one or two years, and the development of a *bilancio sociale* in the 2000s, that became mandatory for every social cooperative in 2019.

Introduction

Typical tensions and challenges in Social Impact Measurement

There are a lot of proposed tools and methods for measuring the social impact, but they all face similar fundamental challenges. Two of these tensions are briefly described in this section.

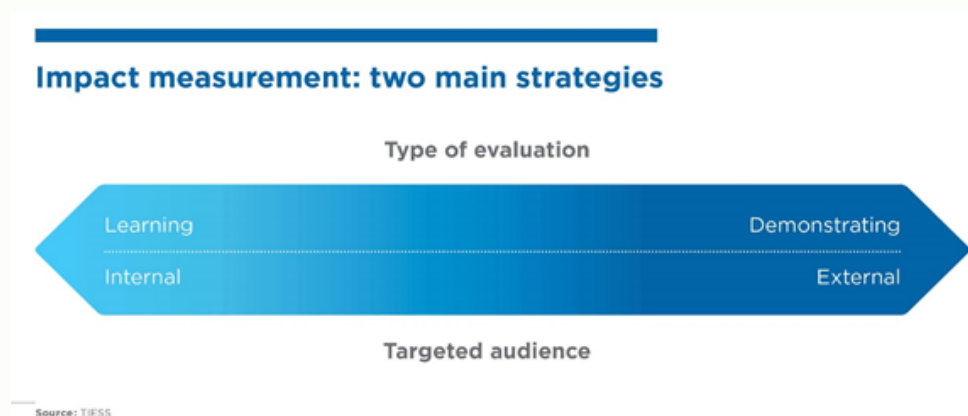
Measuring for Whom? Internal vs. External Audience³

There are various good reasons for cooperatives to care about social impact measurement. Among many others, we can mention:

- Understand better the results (impact) generated by their activities.
- Learn from this greater understanding and plan accordingly to improve their impact.
- Demonstrate the importance of the activities and impact, thus mobilizing members, customers and potential funders.
- Comply with external funders' (such as impact and philanthropic investors and governments) expectations regarding result-based accountability.

We can classify these various purposes on a spectrum with the following two extremes:

- **learning about the impact** (focusing on the needs of internal users such as the board of a cooperative)
- **demonstrating the impact** (with external users such as potential funders and customers in mind).



[3] This section is based on TIESS' publication, [read here](#).

Although both orientations are not exclusive, users may choose more relevant tools according to their primary purpose:

- Typically, a process that is fully geared towards **learning** will involve a customized approach developed to answer specific question formulated by the intended users, it will be led by someone who is trusted by the organization and reveal potential weaknesses within the organization. The results might therefore not be made public and are hardly comparable. Such endeavors typically begin with the development of a good theory of change.
- On the other hand, processes aiming to **demonstrate** the impact to outside users will rely on more standardized, widely acknowledged methods and might put a greater emphasis on the strengths of the organization. Sustainability reporting reports, for good or bad reasons, seem to follow this pattern, with GRI being the most widely used method among large corporations (including some cooperatives).

How Many Organizations are Involved? Flexible vs. Standardized Methods⁴

The choice of the method depends also on the type and purpose of the organization:

A single cooperative looking to understand better and **improve its impact** will likely prefer a **flexible methodology**, tailored to answers the specific questions it tries to address, whether it is through the development of key performance indicators to monitor its activities, or more researched oriented processes geared towards establishing causal links and long-term impacts. For single organizations, the comparability of the method is usually a secondary concern.

[4] This section is based on TIESS' publication, [read here](#).

Governments, investors, and networks/federations dealing with several cooperatives, trying to figure out which businesses are **performing the best** in terms of social impact, have a strong incentive to promote **standardized methods** that will allow for comparison, aggregation, and benchmarking.

Customized or standardized evaluation



Source: TIESS

What method for CECOP members?

CECOP members are networks of cooperatives that are looking for **comparable data** that can be summed up, although for slightly different reasons. They certainly want their members to **improve their impact**, but are rarely in the business of benchmarking them in a logic of rewarding the most performing and punishing the worse. They are interested, however, in coherent, aggregated data that will allow them, for the purpose of their advocacy strategy, to **build a stronger set of arguments** on the importance and impact of the organizations they represent within a specific territory or sector.

Because of the specific situation of CECOP members, the practices selected for this toolkit are:

- Initiatives that have a stronger level of standardization.
- Initiatives more relevant for a single cooperative or a group of cooperatives.
- Standardized initiatives that can also be used for the internal audience and close stakeholders.

Beyond social inclusion: Economic democracy and cooperative identity

Branding cooperatives as a tool to achieve social inclusion of marginalized groups is not enough to reflect accurately the contribution of cooperatives to address a whole set of 21st century challenges. Beyond each cooperative goal, set by its members, cooperatives, as a movement, collectively contribute, among other things, to fight social and economic inequalities and **bringing democracy in the workplace**. In a world where economic inequalities are still rising and democracies are increasingly challenged by populism or captured by economic interest groups, this is not a small contribution. Some indicators that are either currently available or that would not be too difficult to gather include:

- The pay ratio (defined as the difference between the highest and lowest paid worker, or sometimes highest and average paid worker) is usually lower in cooperatives than in other businesses and is a good way to fight economic inequalities. This type of data is currently available in XES' *balanç social* and will also be included in the *bilancio sociale*.
- Indicators related to democratic governance, such as the number of members involved in the general assembly or other decision-making bodies are already sometimes compiled through cooperative revisions and are also featured to some extent in *balanç social* and *bilancio sociale*. Showing concretely how people are more important than capital in cooperatives, and how these organisations are schools of democracy, deserve being featured to promote the cooperative model.

At a more general level, all 7 cooperative principles, at the core of the cooperative identity, should be more systematically documented. A recently published [guide by Coops UK](#), explains how this can be done at the level of the individual cooperative (Co-operatives UK 2019). Additional work must be conducted at a network level, in order to assess the impact of the application of these principles at the national and international level.

Compilation of Current Practices in the Cooperative Sector and in the Social Economy

Bilancio sociale, Italy

In the 1990s, social cooperatives developed the habit of annually publishing a *bilancio sociale* on their own will, in order to better demonstrate their specific contribution to the social missions they had set to achieve, going through the exercise of assessing the non-financial dimension of their activities. In the following years, regional governments introduced specific local legislation for the promotion of social cooperatives. While doing so, some of them (Lombardy Region and Emilia-Romagna Region), taking this act into practice, asked social cooperatives to publish the *bilancio sociale* in order to be fully recognized and operate in their territory.

Following the reform of the social enterprise sector in 2017, and the enactment of the Decree No 112 of 2017 (Social Enterprise Decree), all social cooperatives in Italy are now obliged to complete, and publish annually their annual *bilancio sociale*.

Starting in spring 2021 (the compliance becoming mandatory in 2020), the Italian cooperative sector will potentially have in its hands the most exhaustive dataset ever created on the social impact of cooperatives.

Although the official guidance sets a relatively strict series of sections that must be covered in each *bilancio sociale*, it does not mandate the use of a specific methodology or data collection tool. It is therefore the role of cooperative networks to step in and provide to their members tools and guidance that will allow them to gather information in a way that will be consistent across time and geography.

This is precisely what Confcooperative Federsolidarietà has been doing by establishing a common reporting tool, which was developed around 2004, when some regions first started mandating *bilancio sociale* for social cooperatives. A committee was then set up to design a questionnaire and develop an online tool where members of Confcooperative Federsolidarietà could freely answer to the questions and generate a social report.

Users and incentives



- In 2021, the *bilancio sociale* will be **mandatory** for every social enterprise in Italy, including social cooperatives. Those that do not comply could lose their right to operate legally.
- The online tool that Confcooperative Federsolidarietà designed helps its members to comply with this legal requirement.
- Over 14,000 social cooperatives in Italy are concerned by this policy.

Coverage



- Every social cooperative must follow the guidelines specified by the July 4th 2019 decree ([see highlight here](#)).
- Indicators of special interest from the perspective of social inclusion include:
 - Information related to the remuneration of workers and volunteers and members of the governing bodies (employment contracts adopted, activities carried out, structure of remuneration - including data on pay differentials, documenting that the highest remuneration is not more than eight times higher than the lowest - and methods of reimbursement to volunteers) as well as demographic information (gender, age group, income, origin, etc.).
 - Systematic information related to key aspects of democratic governance (data on a social basis and direct and controlling bodies, aspects relating to internal democracy and participation, identification of stakeholders).

- Indicators related to the achievement of each cooperative's specific mission (quantitative and qualitative information on the activities carried out, on the direct and indirect recipients and, as far as possible, on the effects, indicating whether or not the planned objectives have been achieved and the factors that have facilitated or made it difficult to achieve them. Factors that risk compromising the purposes of the entity and the actions taken to counteract this should be indicated).



Resulting data

- Official guidelines provide a detailed list of topics and sections that must be covered in the report but does not specify exact indicators.
- The data generated through Confcooperative's online tool is comparable and potentially could be aggregated in the future to generate report on the social impact of the entire sector in Italy.
- Each cooperative can access to its own results. However, it cannot see the results of another cooperative, or compare itself against the average results of a sector or territory for benchmarking purposes.



More information

For more information contact, Valerio Pellirossi, Senior policy Advisor at Confcooperative - Federsolidarietà : pellirossi.v@confcooperative.it

XES' Balanç social, Spain

The "Balanç social" is an evaluation tool developed for Social and Solidarity Economy (SSE) organizations (mostly cooperatives, but also other types of non-profit organisations) in Spain. It was initially designed by the [Xarxa d'Economia Solidària \(XES\)](#) (the Catalan Network on Solidarity Economy) around 2007 (Alqu zar Crusellas and Suri nach Padilla 2019). That is why it was firstly developed in Catalan, and then translated to Spanish, Basque, and Galician.

The main questionnaire is completed annually by the enterprises themselves and additional, shorter, questionnaires are separately filled in by key stakeholders such as workers, customers and volunteers, thus guaranteeing their voice and external perspective is included.

In 2019, an audit mechanism has been established to guarantee the reliability of data that was based, up to then, only on self-declaration. Various criteria have been established to select an average of 5% to 10% of the responding organizations that will be audited each year.



Users and incentives

- Initiated in Catalonia, the tool has been translated and extended elsewhere in Spain through partnerships with other federations and networks. In 2019, over 500 SSE organizations (about half of them cooperatives) used the tool in Spain.
- The organizations reporting in Catalonia (around 200) need to respect a minimum threshold (4 out of 10) in each dimension of the questionnaire, so they are granted a label that gives them access to an [online market](#) which references various products and services sold by SSE organizations.
- Respondents receive their results as infographics, thus in form of a convenient tool they can use for communication with the stakeholders. Personalized reports detecting strengths and weaknesses through benchmarking can also optionally be generated.

- The completion of this questionnaire is also increasingly encouraged by the city of Barcelona.
- Every sectorial or regional federation or network using the *Balanç* social tool, can define their own set of indicators above a core set of shared indicators. This way, all the organizations reporting share a minimum set of indicators, but every federation can include their own specificities.



Coverage

- The shorter version of the questionnaire covers around 50 indicators divided in six dimensions such as financial aspects, democracy, environmental sustainability, social commitment and labor conditions. The complete version covers the same sections but contains about 100 indicators (XES 2018, 8).
- The six dimensions may include qualitative and quantitative questions:
 - The financial aspects dimension gathers data about the economic performance of the organisation and its profit policy.
 - The democracy dimension seeks to measure the quality of direct and representative democracy guaranteed to members, as well as the degree of diversity in the organisations and the equal opportunities guaranteed to workers. Questions directly related to social inclusion of minority groups are reproduced in the table below (Page 18, Figure 1).
 - The environmental sustainability dimension aims to measure basic action and commitments in order to have a picture of the environmental impact of the organization, such as the existence of an environmental policy, the annual consumption of energy and water, the consumption of paper, the existence of a waste management practice, etc.

- The social commitment dimension is measuring the organisation participation, involvement, and contribution to social empowerment of the territory, such as the organization's monetary contribution to solidarity projects, the collaboration with ethical and solidarity entities, etc.
 - The working conditions dimension gather data on the organization's ability to provide job quality and assures workers' rights, such as the existence of a risk prevention system, the number of long-term and temporary contracts, actions to facilitate private and work life reconciliation, trainings for the staff, etc.
- There are no questions related to youth employment or the age of workers, but designers of the platform told us this type of questions could be included in a future version of the questionnaire, because the indicators are reviewed every year according to users' proposals.



Resulting data

- The code of this platform is in open format and can be replicated to address the specific needs of an organization that would like to implement this solution elsewhere on its own (creation of a "fork").
- The data generated through the online tool can easily be exported, compared, and aggregated. Each year, the XES uses this data to publish an annual report only regarding Catalan SSE organizations. All Spanish regional SSE networks join their data and publish an annual report regarding all SSE organizations that reported data in Spain.
- Additional "Modules" (*Balanç* social itineraries) developed with partners can include tailored question while keeping core ones. In 2020, there were 12 modules actives managed by 9 different regional or sectorial federations or networks.



More information

For more information, you can contact: Ruben Surinach Padilla, project coordinator at the Xarxa d'Economia Solidaria de Catalunya, at: ruben@bsxes.org

Figure 1: *Balanç social* sample questions related to social inclusion

Questions	Explanations
q3101 Total number of workers who come from situations of risk of social exclusion disaggregated by sex	We understand people who come from situations of social exclusion as: (i) People with mental disabilities; (ii) Women who have suffered domestic violence; (iii); Migrants; (iv) Long-term unemployed age over forty-five years; (v) Youths coming from care (vi) People with drug addiction problems; (vii) Inmates of prisons whose situation allow them to access an occupation, people in probation and ex-prisoners.
q3102 Number of workers who are non-EU	Non-EU people are those who have the nationality of no European Union country.
q3103 Number of workers who are racialized	When we talk about racialized people, we mean those whose cultural characteristics, physical, etc., are classified into a group considered inferior and minorized, and for that reason they are discriminated against (colloquially speaking, not "white").

Source: Translated from (XES 2019a, 12)

Cooperative Revision, Poland, France, and Italy

The cooperative revision, also called cooperative audit, is a long-established tradition in many countries. Although the details vary from one country to another, the general purpose of this exercise is to ensure that every cooperative complies with the principles of mutualism and cooperation as well as other requirements defined in their own respective national legislative framework. While the cooperative revision is not a tool of social impact measurement per se, it already foresees some dimensions that can be used to analyze the cooperatives' social impact in those countries where it is already practiced.

The cooperative revision is generally led by an external auditor with an accounting or a legal background who, just like in a financial audit, systematically goes through the books and other statutory records to gather evidence of compliance, and then draft a report certifying compliance of rules and processes, and make recommendations in case some aspects need correction.

In this section, three cases where a cooperative revision is still mandated by the law are introduced.

Poland: Cooperative Audit

Poland's experience with cooperative audits is the oldest example introduced in this report, dating back to the Act of 29 October 1920 on Cooperatives (Piechowski 2013, 610). However, reforms enacted by the communist regime significantly impacted the nature of these cooperative audits and we will therefore focus on the current legislative framework for cooperatives in Poland, which are regulated by the Act of 16 September 1982 Cooperative Law (a law that has been amended several times since then). Articles 91 to 93 of this law define the responsibilities of the cooperative regarding auditing.

France: *Révision coopérative*

Since 2014, a law in France requires that cooperatives should submit themselves to a cooperative revision to verify conformity of their organization to the rules of cooperation and interest of members, as well as specific rules that are applicable and, if required, suggest corrective policies.

This requirement has been introduced in 2014 in the general law on cooperatives (Art 25-1, law of 10 September 1947). Prior to this date, some cooperative families were already submitted to a cooperative audit in application of the specific legislation applying to them: agricultural cooperatives (since 1967), workers cooperatives (since 1978), fisheries, transport, and crafts cooperatives (since 1983). Since 2014, the cooperative audit is extended to all cooperatives. This mandatory exercise must be carried on by an independent, government certified, evaluator.

Italy: *Revisione cooperativa*

In Italy, the practice of cooperative revision is established since 1948 and is now regulated by the law 220 of August 2nd, 2002. The purpose of a cooperative revision is to ensure that the cooperative complies with all the mutualistic principles and thus does not pursue a profit-oriented goal.

From the analysis of the three cases we can highlight the following:



Users and incentives

- All type of cooperatives in these countries are concerned. During the revision process cooperative federations play an important role in assisting cooperatives with this task.
- Cooperative revisions are mandatory every 2 years, or every year in case of social cooperatives, in Italy, every 3 years in Poland or every 5 years in France.
- In Italy and France, cooperatives that do not comply could lose their right to operate legally. In Poland, it is the board of management that might undergo legal consequences if the cooperatives do not comply with the law.



The analysis is usually focused on the governance dimension and the cooperative compliance with the national legal requirements.

- In France, the following dimensions are assessed:
 - Open and Voluntary Membership: Ensure membership is properly managed, and people can freely join or leaves the cooperative.
 - Democratic Governance: Ensure basic principles of democratic governance are respected, such as holding an annual general meeting, duly electing a board of directors, and properly sharing information to members.
 - Economic Participation of Members: Make sure members properly subscribed to capital and use services as defined in the rules of the cooperative.
 - Distribution of Surpluses: Ensure surpluses are distributed according to use, and per the rules of the cooperative.
 - Cooperation with other cooperatives: Check if the cooperative is involved in networks or partnerships with other cooperatives.
- In Italy, the cooperative revision considers various aspects that are essential to any cooperative:
 - Mutualist principles are properly integrated in the rules of the cooperative.
 - Financial statements reflect an economic activity with members and are duly adopted.
 - Membership is properly managed, and membership is voluntary.
 - The cooperative's capacity to pursue its mission (is it financially solid, the governance mechanisms are properly functioning).
 - The type of contracts.
 - In the specific case of social cooperatives ruled by the law 381/91, the cooperative revision includes information about the number of disadvantaged workers (Ministero dello Sviluppo Economico 2017, 23–24).
- In Poland, the purpose of the cooperative audit is to ensure that the cooperative "rightfully exercises the activities of the members' interests" and is efficient and reliable in "performing economic, social and cultural aims". According to the law, the aim of the audit is:

Compilation of current practices

- Checking the cooperative's compliance with the law and the provisions of the statute.
- To examine whether the cooperative complies with its activities in the interest of all its members.
- Controlling the efficiency, purposefulness, and reliability of the cooperative's implementation of its economic, social, and cultural goals.
- Pointing members to irregularities in the activities of the cooperative.
- Providing organizational and instructional assistance in removing identified irregularities and in improving the activities of the cooperative.



Resulting data

- The result of the cooperative revision is a written report. This report follows some guidelines and is usually communicated to the board and members of the cooperative in a written format (paper or electronic). In Poland, there is an obligation to present the results of the audit on the coming General Assembly.
- There is no known practice of systematically collecting the results of these reports. Comparison and aggregation are therefore currently inexistent, even though conceivable if some networks wanted to move on this front.



More information

- For more information on the Cooperative Audits in Poland write to Joanna Brzozowska-Wabik, board member of the National Auditing Union of Workers' Cooperatives, at: joanna@spoldzielnie.org.pl
- For more information on the Révision coopérative in France write to Caroline Naett, Secretary General of Coop FR at: cnaett@entreprises.coop
- For more information on the Revisione Cooperativa in Italy write to Marco Palma, legal expert for Legacoop, at: marco.palma@legacoop.bologna.it

Surveys and Statistics, Portugal

In Portugal, the Cooperativa António Sérgio para la Economia Social (CASES) is the main network of social economy organizations. They deploy various activities to support the social economy sector in the country and an important part of their work is to ensure that better data about the sector is gathered.

In 2012, CASES partnered with CIRIEC Portugal to create the "Observatório da Economia Social Portuguesa (OBESP)". This observatory worked on defining what was meant by social economy, characterized the Portuguese cooperative sector (CIRIEC Portugal 2013) and designed a survey to study cooperatives' role in contributing to youth employment in Portugal (CASES and CIRIEC Portugal 2012).

Meanwhile, CASES also partnered with the Instituto Nacional de Estatística (INE) who set up a Satellite account on social economy that came up with data about the whole sector for the years 2010, 2013 and 2016 (INE 2019a)⁵. These studies cover social economy organizations (including cooperatives) from a national accounts perspective, providing information such as the number of employees, the gross value added (GVA) and the average compensation of employees.

INE also produced, in collaboration with CASES, a social economy sector survey including a detailed portray of leaders in the social economy sector (gender, age, education level) as well as information regarding management practices (INE 2019b).

[5] This satellite account has the originality of combining both guidelines from CRIEC and the John Hopkins Institute. Those who are interested in learning more should read (Ramos 2019) [here](#).



Users and incentives

- In the early 2010s, surveys led by the OBESP generated specific knowledge on the cooperative sector. Samples of between 100 and 250 cooperatives were drawn for an estimated population of around 2000 cooperatives. More lately, the INE set up an official satellite account on social and solidarity economy that studied 71885 SSE organizations (including 2343 cooperatives); and the social economy sector survey encompassed an estimated number of 65632 (including 2012 cooperatives).
- Answering to surveys is not mandatory for cooperatives, yet the response rate has been described as quite good by organizers of such studies (for instance, 82,3% in the case of OBESP's survey on coops and youth employment). The motivation to share information, if the burden is not too heavy, seems to be present even in the absence of some extrinsic financial incentive.



Coverage

- The satellite account focuses on traditional economic indicators such as number of employees, gross value added and average compensation of employees. INE's social economy sector survey recently published data on the demographic composition of top managers in the sector and should provide additional answers in the upcoming months. Finally, OBESP's surveys provided additional information on cooperatives contribution to social inclusion through youth employment or inclusion of various marginalized groups as beneficiaries.



Resulting data

- OBESP's surveys were one-time exercises that took a picture of the sector at some point. They theoretically could be replicated but never did.
- The satellite account is designed to be highly comparable from one period to another (it is updated every 3 years) and fully comparable with other sectors through national accounts.



More information

- Observatório da Economia Social Portuguesa (OBESP). This page on CASES' website shows the results of two surveys on the Portuguese cooperative sector's contribution to youth employment and other marginalized groups.
- It is also helpful to consult INE's website to access the satellite account on social and solidarity economy.
- For more information, you can contact Eduardo Pedroso, CASES responsible for the Statistics and Data bases Team, at eduardopedroso@cases.pt

Projet VISES, Belgium and France

VISES (Valorisons ensemble l'Impact Social de l'Entrepreneuriat Social) is a 4 years-long project that was recently concluded in France and Belgium and it aimed at testing a process made up of the following steps:

- Step 1: Diagnostic and identification of evaluation questions
- Step 2: Choice, development and use of data collection tools
- Step 3: Analysis of collected data and valuation of results

These steps, although seemingly quite simple, follow the best practices in evaluation by promoting the establishment of collaborative process centered around the needs and specificities of the organization being assessed. Detailed step-by step instructions cannot therefore be included in a guide, as reasonable judgment must be exercised by the stakeholders involved in the process themselves. The involvement of an external expert is desirable to the extent that the person can help stakeholders progress through the process, but in that perspective, it is not the evaluator's role to make a judgement on the value of specific results.

Unlike the Italian and Spanish cases introduced earlier, this method does not come with an online tool, and results obtained by various SSE organizations cannot be systematically aggregated or compared. However, pilot-testing organizations were gathered in three clusters (work insertion, solidarity, and others) and did manage to identify common collective aspirations that could eventually lead to common indicators. Examples of such aspirations for the cluster with the widest variety of activities include social transformation (improving capabilities and social mobility), development of citizenship, empowerment, and emancipation of workers. Even though the purpose is not to establish a common data collection tool, these examples show the type of common goals various cooperatives and SSE organizations are likely to promote, no matter their sector of activity. It is also a first step towards a more systematic process that would show the value of the contribution of a specific sector.



Users and incentives

- The project supported 68 pilot testing SSE organizations (some of them were cooperatives) through a flexible, tailored, impact evaluation process.
- The project was funded by Interreg. Pilot testers presumably joined the project because they were invited to do so by their network and saw an opportunity to learn about their social impact without having to pay for it.



Coverage

- There is no specific tool connected to that initiative but rather a common process. Information on cooperatives' contribution to social inclusion is most likely included in some reports, but not in a systematic way.



Resulting data

- Results generated by the process (usually a report) are centered on the SSE organizations' needs to understand, improve, and legitimize their action.
- These results are not meant to be comparable or cumulated.



More information

- Projet VISES website.
- A summary of the project is available here.
- A profile of every involved organization can be consulted here.
- Detailed explanations regarding the various steps of the project are provided in this publication.
- Most outputs of the project are in French but an interesting publication on the importance of making sure SSE organizations and their funders partner to co-create an evaluation that will address everyone's needs is available in English here.
- For more information you can contact: Marie LOIX, ConcertES, at marie@concertes.be or Laurence DUFLOU, CRESS Hauts de France, at laurence.duflou@cresshdf.org

Other relevant resources

Co-operatives UK's Guide on Key Performance Indicators: A Framework and Guidance for Co-operatives

This guide, published by the Co-operative Performance Committee supports cooperatives in selecting Key performance indicators (KPIs) that are in line with the cooperative values and principles.

KPIs are one of the tools used by many businesses and organisations to set and monitor performance against their core objectives, goals and purpose. The challenge for any organisation is identifying and selecting the right set of KPIs. This report provides a series of questions, which reflect the seven co-operative principles, to help every co-operative set meaningful and appropriate KPIs to demonstrate their difference as a cooperative.

CO-OPERATIVES FOR SUSTAINABLE COMMUNITIES: Tools to Measure Co-operative Impact and Performance

This report is the conclusions of a Canadian research project ran from 2010 to 2015 by the Co-operative Difference Research Network and the Centre of Excellence in Accounting and Reporting for Co-operatives (CEARC).

The report focuses on how and why co-operatives assess their performance and their impacts on society via a variety of international accounting and reporting tools and practices in the areas of:

1. Statistics and data collection
2. Putting co-operative principles into practice
3. Community impact
4. Member and stakeholder engagement
5. Reporting practices (co-operative identity and sustainability)

with the intention of sharing the knowledge and experience obtained, and advocating a critical analysis of these materials, and suggest ways forward to address the reporting and dissemination challenges identified by practitioners and researchers.

Other relevant resources

TIESS' Web Portal on Social Impact Measurement

A web portal designed to address the main question related to the social impact measurement of SSE. developed by TIESS, in Quebec. The portal is available in French and English. French speakers can also join a community of practice on Passerelles where they can ask question and share news on this topic.

AVISE's Dossier Impact Social

This website, in French, offers key information on the topic of SSE's social impact measurement in the context of France. Their recently translated Handbook on Assessing Social Impact is a useful introduction to the topic of social impact measurement, especially for funders.

Discussions and recommendations

Based on the findings related to the examples introduced in the previous section, the following lessons and recommendations can be drawn:

- **Setting up a common data gathering methodology on social impact at a regional or national scale is possible but difficult.** XES' *Bilanç social* and Confcooperative Federsolidarietà's online tool for the *bilancio sociale* are the two most interesting initiatives in this regard.
- **There is already some guidance on the topic of social impact measurement at a theoretical level**, as seen with VISES and ESS & Création de valeur projects. What cooperatives typically need to go further is a bit of in-person support, provided individually or through cohorts. CECOP members might play a role of guidance for their affiliated cooperatives with the support of CECOP.
- **Cooperative revisions, as studied in France, Italy and Poland, seem to have some untapped potential but would require a huge modernization effort first.** These cooperative revisions are required by law, established for a long time, and led by specialized auditors with accounting backgrounds. It will be interesting to centralize and compare all the data generated by these reports.
- **The experience in Portugal shows that official statistics and surveys are a promising way forward.** Distributing a survey to a sample of cooperatives is a comparatively much easier and more affordable way to gather data on cooperatives' contribution to social inclusion than to set up a whole data collection system.
- **Voluntary surveys are preferable to mandatory impact measurement.** Requirements regarding social impact measurement imposed by regulators or funders can reveal a lack of trust, impose a disproportionate burden on cooperatives, and lead to unexpected negative effects (such as reactivity, goal displacement and unproductive competition and conformity).

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About us

CECOP is the European confederation of industrial and service cooperatives. It represents the voices of worker cooperatives, social cooperatives and independent workers' cooperatives. CECOP works to create a supportive environment for cooperatives, so that they can operate to their full strength and fulfil their mission of providing sustainable jobs and high quality services to communities. Our aim is to build a fairer Europe and contribute to sustainable economic growth, to bring democracy and solidarity to the workplace.

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