



## GOVERNANCE, OWNERSHIP STRUCTURE AND REPORTING FEATURES: THE CASE STUDY OF AN ITALIAN SOCIAL COOPERATIVE NETWORK

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### ABSTRACT

*The diffusion and the consolidation of the experiences and the realities of the third sector were determined during the '80s and '90s, in concomitance with the reflection and the reorganization of the social politics, oriented to individualize and to put new modalities of intervention to answer to the multiplication and the plurality of the demands and the social questions.*

*In this context it always assumes great weight and scientific importance the analysis and the study of the phenomenon of the cooperation, especially, the no profit ones.*

*First of all, we presented the main characteristics and the historical evolution of the social cooperatives in the context of investigation, the Italian law and economic system, focusing on the aggregation of this particular kind of enterprises.*

*Secondly, we also investigated the aggregation consortium about the relationships between: - the governance; - the building of business relationships with other partners such as other socials enterprises, third sector organizations, public administrations, profit companies; - the implementation of a global informative system (social and economic).*

*Our research is supported by a business case study. In this analysis, developed on the Solco Imola Consortium, we showed that in this organization, the multistakeholder approach has a significant impact on the financial reporting system. In fact, we analyzed the instruments and the content of the external information of Solco Imola Consortium, observing an hardest presence of non financial information in its external reporting, and an extension of the financial reporting both in*

*the time-side and in the space-side. This organization showed a particular integration between the consolidated financial statement and the social balance that we defined aggregate balance.*

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**Keywords:** Networks, Social cooperatives, Governance, Aggregation consortium, Case study, Consolidated financial statements.

### **Contribution/ Originality**

The subject of this research is represented by a particular form of business aggregation, defined as a formal and democratic aggregation, as the consortium that is constituted by social cooperatives on the existing relationship between the governance and the Financial Reporting System.

## **1. THE SOCIAL COOPERATIVE IN ITALY**

### **The Genesis of Social Cooperatives**

At the end of the Seventies, people began to perceive that, it was developing a new typology of cooperation, that required the definition of its juridical characteristics.

It began then a debate regarding these new forms of cooperatives characterized by the solidarity. This happened in a historical context in which people began to speak more about welfare state and about no profit (Bassi, 1993; Mazzoleni, 1996; Bernardoni, 2008).

In different occasions the debate is developed within the world of cooperation, to the solidarity cooperative and contextually a legislative debate lasted around 10 years and which ended with the law n.381, emanated on the 8<sup>th</sup> November 1991: "discipline of the social cooperatives".

The long procedure for the emanation of a specific law, finds explanation in the fact that, such law had to discipline an economic phenomenon, developed in an independent way.

Inside the movement of the social cooperation people speak about social cooperatives in terms of cooperatives of solidarity.

We indicated in synthesis the main points of the law that disciplined the phenomenon of the cooperatives of social solidarity, then defined social cooperatives:

- definition of their social aim: "they have the aim to pursue the general interest of the community";
- to achieve this aim, two possible activities are indicated that could be developed by the social cooperative;
- the management of socio-sanitary and educational services;
- the development of any economic activity with the purpose of the job insertion of the disadvantaged people.

Classifying, on the bases of the typologies of selected activities among those suitable, the social cooperatives of type A manage socio-sanitary and educational services and the social cooperatives of type B develop an activity of job insertion of disadvantaged subjects, through any activities economic;

- for the first time people give the possibility to the volunteers to become partners of the cooperative, but without exceeding the half of the total number of the partners;
- the category of disadvantaged people is defined;
- further economic restrictions are not requested, concerning the distribution of profits, reservoirs or drawbacks, except what is indicated for ordinary cooperatives;
- for the social cooperatives enrolled in the regional registers which carry out activities for the job insertion, it is possible to stipulate conventions with Public Administration;
- some fiscal facilities, according to the particular nature of the carried out activity, are applied to the social cooperatives, for example they are considered as agencies “of right”, being able to benefit by the regimen of facility in quality of Non Profit Organizations for the general benefit of the community– ONLUS with an Italian acronym;
- the constitution of social consortia is previewed, with the obligation that at least 70% of the social base is formed by social cooperatives;
- at last, the law imposed to the Regions to emanate the implementing norms in matter of:
  - institution of the regional register of social cooperatives;
  - conventions specimen to stipulate with Public Administration.

From what has been synthetically underlined, it is evident that the suitable finality indicated for the social cooperative by the legislator “the social cooperatives have the aim to pursue the general interest of the community” represents a critical point of the cooperation model ([Barbetta et al., 2003](#)).

The model of the social cooperation becomes, through the prescription of the legislator, a hybrid model ([Matacena, 1997](#); [Bernardoni and Catillo, 2008](#)). In fact in social cooperatives, the registration is requested in the:

- registry of prefecture in the field of activity in which it works;
- registry of prefecture for social cooperatives.

### 1.1. Partners in the Social Cooperatives

The discipline of the cooperatives foresees the existence of two categories of partners: the ordinary members and financing members. The partners are those who are interested to the mutual relationship among them and the cooperative in order to obtain a good or a service to an inferior price in comparison to the market or another benefit ([Bassi, 2005](#)).

The members have limitations concerning:

- the remuneration of the equity;
- the prohibition of the reserves distribution during the life of the society;
- the devolution, at the dissolution of the cooperative, of the resources which exceed equity to other mutuality, in order to promote the development of the cooperation.

The financing member is the person who buys the financial tools that confer his participation to the cooperative in order to carry out an investment.

They have limited rights regarding the entrepreneurial management of the cooperative, such as:

- they cannot receive more than one third of the voting rights attributable to the members present in the assembly;
- they cannot appoint more than one third of the administrators;
- they cannot appoint more than one third of the members of the supervisory board.

In the social cooperatives other three categories of partners are individualized, besides those just described: ordinary members; voluntary members and financing members.

The ordinary members develop an activity for which they receive a remuneration and they are also equalled to the employees as regards the social security service.

The disadvantaged members are present in the social cooperatives of type B, because this type of cooperative is born with the aim to develop an economic activity in order to integrate disadvantaged people into the job market.

Moreover the discipline of the cooperatives of type B provides for:

- the possibility for such cooperative to carry out an entrepreneurial activity without any limitation of the activity field;
- the presence in the company of disadvantaged people which must represent at least 30% of members;
- a possible facility for the activity carried out by the cooperative through:
  - the stipulation of conventions with Public Administration, becoming therefore a privileged interlocutor of the State and not necessarily having to operate in a competitive market;
  - facilities as regards the employment of disadvantaged workers through the reduction down to nothing of the general shares of the contribution for the compulsory social security service;

Recently, the emanation of an internal regulation has been provided for the discipline of the relationship between members and workers.

The voluntary member is a figure who offers his professional and technical working activity for solidarity purpose.

The figure of the voluntary members must be provided for the statute of the cooperative. For those ones, it was recognized the right to the reimbursement of the “expenses effectively supported” in the exercise of their activity.

The financing members are juridical entities or individual investors who bring money to the cooperative with the aim of investment, in order to obtain financial remunerations.

The financing members constitute a special category of members who have financial instruments; those ones may be transferred according to particular conditions.

The society reform previews the possibility to distinguish three various kinds of cooperatives:

- I. cooperatives of prevailing mutuality;
- II. cooperatives of not prevailing mutuality;
- III. cooperatives of external mutuality.

The cooperatives of prevailing mutuality have economic exchanges in prevalence with their own members; for the social cooperatives, the mutuality is recognized directly by the law, according to the characteristics of its own activities, because its objective is the general benefit of the community and the social integration of citizens. Within the cooperatives of prevailing mutuality there are 14 various categories of cooperatives. The three most numerous categories are in the order: 1. Worker Cooperatives (20,448 registrations) 2. Building cooperatives 3. Social cooperatives (9,617 registrations).

**Table.** Classification of the numerosity of the categories of cooperatives of prevailing mutuality (absolute values and percentages; January 2006)

Worker or producer cooperative	20.448	35.1
Building cooperative	10.357	17.8
Social cooperative	9.617	16.5
Agricultural cooperatives	4.746	8.1
Cooperatives of agricultural job	2.250	3.9
Consumer Cooperative	1.334	2.3
Transport cooperatives	1.128	1.9
Burial cooperatives	929	1.6
Other cooperatives	5.786	12.6
Total	58.236	100

**Source:** Elaboration Institute G. White Tagliacarne on data Cooperatives of the Ministry of the Productive Activities

## 2. THE AGGREGATIONS OF SOCIAL COOPERATIVES

Since different years, the possible model of the social cooperative growth has been discussed inside the cooperative movement, and till now, a unanimous answer was not found yet .

The choices of the organizational models, of the cooperative growth and of the dimensional development were influenced by the political ideologies to which they adhered. Inside Confcooperative, the Federation of the social cooperation (Federsolidarietà) always promoted an organizational "net" model based on the presence of many small and medium cooperatives, promoting spin off processes as an alternative to the dimensional growth of a single unity. The consortium succeeded in satisfying the demands of the Federsolidarietà coop, favouring a bond among the cooperatives and promoting growth and qualitative development through some cultural activities and services connected to the territorial requirements (Mancini, 1999; Maticena, 2006).

Lega coop chose to realize a dimensional growth of the cooperatives also through a diversification of the completed activities. They also created "giants" working in the vast areas of social cooperation's intervention.

The consortium was born as an organizational model based on a cultural choice of the social cooperatives and on the political ideologies. Recently it assumed an important institutional and contractual role both with private and public administration. In this way the consortium of social cooperatives develops a role of: disbursement of services; representation of cooperative business and promotion of the economic and social politics.

The main goal of the social cooperative is to establish "the relationship of help between an entrepreneurial organization and a person in state of need" , through the disbursement of a service or a product of quality (Borzaga and Depedri, 2002; Baldarelli, 2005 ).

Someone believes that to be able to reach such goal, the organizational model of the social cooperation, cannot reach great dimensions, otherwise it takes the risk to lose the essence of the cooperation.

The small dimension promotes the co-responsibility in the disbursement of the service, control's possibility on the quality and above all it promotes the development of the relationships between operators and clients and interpersonal relationships in the cooperative (Fiorentini, 1997; Lionzo, 2002).

"The limitation of the cooperative development has been given by the possibility for the partners to have among them meaningful relationships", this is the "golden" rule defined in 1989 by the National meeting of the Social Cooperatives, in reference to the dimensions of the social cooperatives. Another fundamental element of the organizational model is represented by the bond with the local community through a partnership between institutions and volunteers, which represent the civil society that perceives the cooperative as a social and entrepreneurial institution of the local community and not as an "ordinary" enterprise.

Therefore the small dimension represented an entrepreneurial strategy to which followed a strategy of growth in order to improve and to develop the activities of the cooperatives and to contain the costs (Coda, 1984).

Considering the different models of intercompany aggregation, the aware and alternative choice is the cooperation model.

Some motivations that conducted to this choice, are the following:

- to safeguard the autonomy of each cooperative;
- to support the circulation of information and experiences;
- to promote a greater participation to the planning of the social services;
- to answer to the needs of the community, promoting the birth and the development of new cooperatives;
- to realize services and initiatives that the single cooperative cannot suitably incur the expenses;
- to strengthen the contractual ability of the cooperatives.

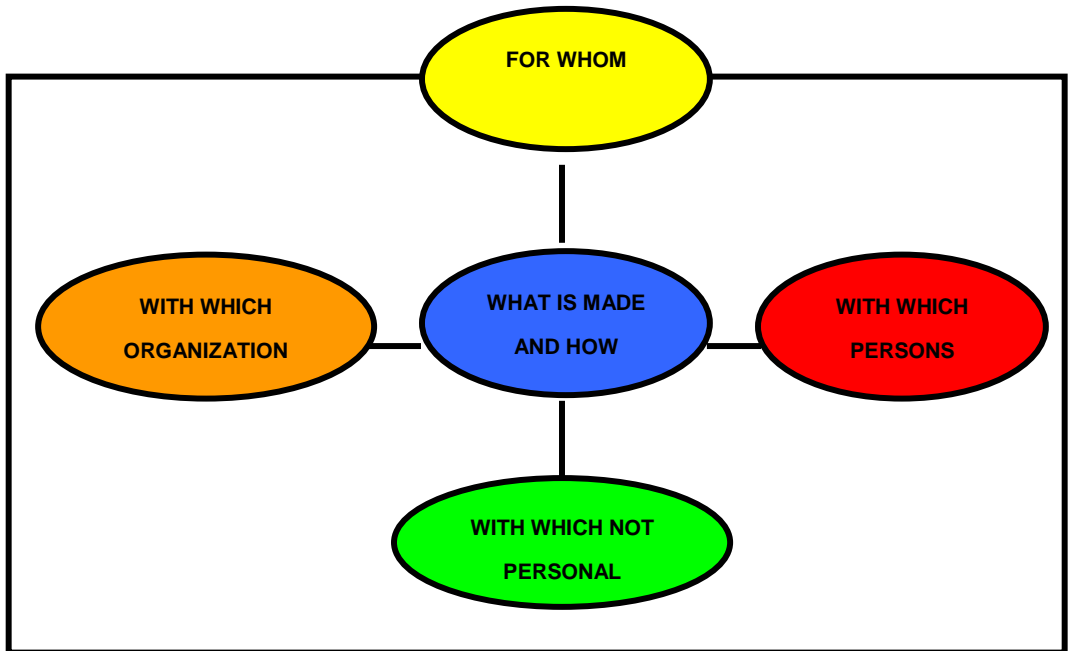
The " strawberries' field strategy" consisted in many cooperatives but each of them rooted in an own local community and they have been able to autonomously grow.

The cliquish model allowed to achieve economic advantages, using services at a superior qualitative level with inferior costs and social advantages, since it allowed to preserve and to strengthen the peculiarities of the social cooperation such as: the small dimension, the flexibility, the local connection, the management democracy.

### 3. THE SOCIAL COOPERATIVES CONSORTIUM: CONFIGURATION AND GOVERNANCE

The configuration of a consortium should be analyzed considering the elements of a company model such as: the institutional order, the economical combinations, the technical order, the assets, the organizational arrangement and the personal management.

**Table.** The Consortium Configuration



Similarly, it could be identified, as the configuration elements of a consortium, the set of the following elements: institutional order; consortium coordination; organizational arrangement; personal management; capital.

Certainly these elements could differ according to the types of consortium and to other characteristics of the consortium management. They could influence the behaviours and the possible strategies.

At the meantime, the general characteristics for each one of these element could be traced.

**-The Institutional Order** of a consortium defined the characteristics and the existing relationships among some critical elements.

The critical elements should be represented by partners and by workers and it is important to considerer their majority and the type of relationships that tie them up because they could be the cause of a greater or smaller cohesion within the aggregation. From the Institutional Order they make part the contributions brought by critical subjects and the benefits obtained by these ones.

**- The Consortium Coordination** is known as the set of the activities developed in a coordinated way by society partners or by the central structure of the consortium to the society partners.

- **The Organizational Order** was given by its organizational structure and its operating system. The organizational structure, as general rule, it has been characterized for a low complexity level, the critical organ given by the chairmanship (or the general direction) which performs the entrepreneurial function. The operating system was represented by the set of rules, procedures and programs that, together with the organizational structure, should drive the behaviour of the personal organism. Operating systems generally are from two different classes: the management systems of the staff (system of staff research, selection and employment; system of training and information; the retributive system, and so on), and the objectives and information management system (strategic planning system; design and control system; the information system, and so on) (Travaglini, 2006).

- **The Personal Organism** is constituted by the set of people who work at the consortium. It has rather container in number, on the contrary the external collaborators could be numerous.

- **The Heritage (Assets)**: customarily, the consortium was not characterized for a particularly consistent tangible property because the development of its activities requires necessary investments in intangible resources, such as image, marks, trust and know-how.

Among the planning of the institutional structure and the organizational order of the consortium there is the predisposition of the internal rules, i.e. the rules that define:

- the access, recess, exclusion from the consorial company modalities;
- the contributions dimension that the single ones have to pour to the consortium for the services and the activities realized within the consorial coordination;
- the discipline of the inner competition;
- the access to external suppliers in substitution of the inner competition;

The regulations can be considered as a part of the previewed mechanisms within the institutional structure of the consortium. Nevertheless other mechanisms also exist, whose predisposition contributes to make the inner relationships more transparent, and therefore to reduce the spaces of manoeuvre in order to realize opportunistic behaviours.

Such mechanisms aim at the economical relationships that elapse between the central structure of the consortium and the single company partner.

Changes in the configuration of the consortium are traceable to the decisions and the actions of the consortium, of the single company partners or of the companies that take part to the net.

The most remarkable changes are those happening as a consequence of modifications within the social coordination and the institutional structure of the consortium.

Regarding to the institutional order, the changes of configuration were considered imputable to:

- income of new companies in the consortium;
- coming out of companies from the consortium;
- acquisitions operated or endured by company partners;
- definition of agreements among external company partners and other companies external to the net;



- income of companies partner in other nets.

These are the operations that have an immediate effect on the borders of the consortium.

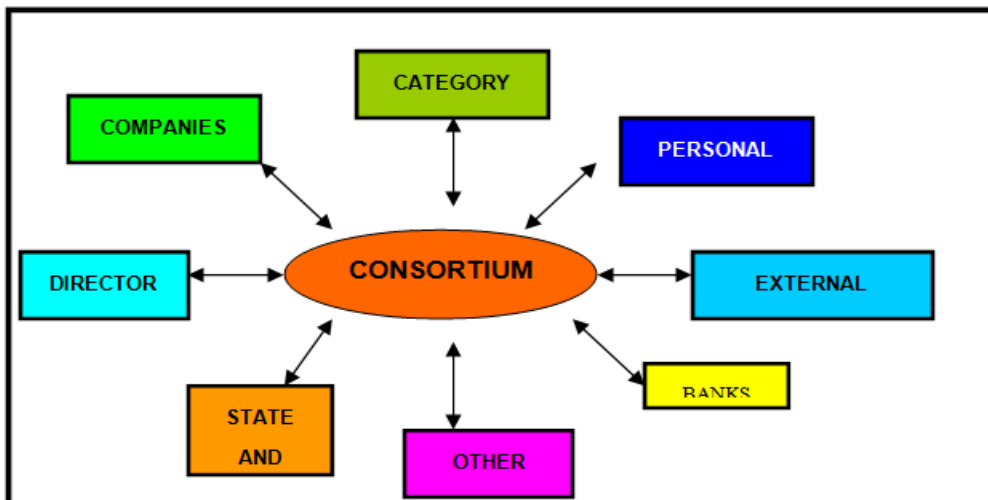
Such changes, essentially regarding the institutional structure of the aggregate, were translated then in changes for the other variables that compose the configuration, i.e.: the increase or the reduction of the degree of the censorial coordination extension, the changes in the value and the structure of the asset and the changes at the level of personal organism. To these changes, it has to add the changes due to consolidations or guidelines in the social strategy and in the strategy of the partner.

In a consortium management it is essential to consider that every change of configuration has to be realized maintaining in equilibrium the relationship contribution-benefits for each partner and for those who bring critical contributions.

The consortium, in fact, is able to prosper and to develop if it succeeds in maintaining an equilibrium between the contributions that such subjects supply and the rewards that it is able to give or promise them. At the same time if the equilibrium fails, the configuration of the consortium also changes. This is one of the motivations for which the consortium has to invest a lot of resources to make a right offer to all the institutional interlocutors, differentiating on the base of the subject to which it is destined. The decisions related to the relationships with the institutional interlocutors give place to the institutional strategy of the consortium.

In particular, the offer has to be coherent with the expectations and the needs expressed by the remittees and with the aggregate configuration, which means that the internal competences of the consortium have to be such to concur to put right a suitable offer to the satisfaction of the remittee's needs.

**Table.** The offer that the consortium addresses to the subjects that bring contributions.



Source: Our elaboration

### Consortium's Formula

When the offer the consortium turns to the addressees is unique it is possible that the same type of strategy produces positive effects for everybody.

It's important to underline that the consortium formula contains in itself some problems that are tied to the aggregation typology caused by the presence of companies that make different activities, by the difficulty to create a tie with single partner results and consortium activity and the missed autonomy as regards the shares offered by his partners, by the different participation and the expected benefits of the partners from the consortium, the occurrence of an opportunistic behaviours. Regarding to the problem specifically tied up to the social cooperative consortium, it's better to signal that all the services offered by the consortium have the same characteristics of public goods, for which it's difficult to leave out not paying subjects, and also of "Club goods" in which it is easier to exclude the third person but at the same time it could be happened a phenomenon of "congestion" caused by the huge increase of subjects that profit a service and a good.

For instance, if you think to the general developed contractor by the consortium, it is expected the possibility to participate to public competitions and it suggested a pact of no concurrence among the consortium cooperatives and between cooperatives and the same consortium. It is clear that the participation to the consortium limits the autonomy of its supporters and at the same time it supposes an act of confidence towards the consortium and its partners in order to share its decisions, information and activity programs. Another risk is caused by the strong consortium growth, concerning the number of its members and the performed functions, such to reduce the internal communication and to create informative asymmetries up to the formation of cohesive groups which tend to impose their own ideas and their own interests to the other supporters.

The expectations of the social cooperatives and the motivations which bring on to become part of a consortium are different, among which:

- the possibility of rationing the expense;
- the capacity to satisfy the workers' needs (that is the development of some professionalisms and new career ways);
- the capacity to acquire new knowledge to renew and improve the activity;
- the possibility of governing the territory;
- to have bigger "political" weight also to be able to take part in tables of work with the actors of the local territory;
- to acquire the capacity to compete with other subjects;
- to have higher possibility to access the credit thanks to the role of "guarantor" performed by it;
- to put up knowledge to be able to identify the "new needs" necessary to the local community;
- the possibility to access to new resources and to build up nets with others institutional subject (participations to European projects, access to the European social funds);
- the possibility to access to new markets thanks to the consortium investment funds.

**Table:** Consortium's formula

Source: Our elaboration

### 3.1. Evolutionary Profiles of the Consortium Model from "Business Network" To "Business-To-Network"

In order to describe the consortium models that were recently developed, it is important to consider the qualitative and quantitative evolution of social cooperative consortia, the consortium transformations and the innovation of consortium models developed in Italy till now (Zimmermann, 1999).

#### Quantitative Evolution

Since the last ISTAT census in Italy, we can see that the number of consortia is 284; indeed, since 2001 till 2005 an increase of about 44% was reached.

**Table.** Consortium of social cooperatives for territorial division

Consortium	Italy	Nord-ovest	Nord-est	Centro	Mezzogiorno
2001	197	67	53	39	38
2003	224	73	49	36	46
2005	284	89	69	65	61
range	% 44,1%	32,8%	30,18%	66,6%	60,52%
2001-2005					

Source: our elaboration

In the first phase, the birth of consortia in the territories was motivated by the desire of cooperatives to find a reference point to acquire more "political" importance and recognition within the territory. Indeed, the Consortium had the role of a political trade-union representation; nowadays, the consortium is in a development phase, in particular it needs to build and formalize the relationships, not only among adherent cooperatives, but also among all the subjects that have any relationship with the Consortium.

It is also important to underline the strong regional differences within Italy that represent different phases of the social cooperation. In fact, it was reported an approximately 30% increase in North Consortia, whereas in Central and South Consortia the growth reaches around of 60%. This information has to be integrated with the knowledge of the consortium reality; while in Central Italy and in the North of Italy there is a consortium for all the 22 social cooperatives, in the South there is a Consortium for only 40 cooperatives. The different growth of the Consortia of social

cooperatives in Italy doesn't depend only on the ability of the consortium to bring out added value for cooperatives but also on the development of confidence resources that were built with time and people.

### The Evolution of the Offered Activities

The ISTAT census showed 16 synthetic markers of the activities and services developed by consortia of social cooperatives.

**Table.** Consortia of social cooperatives in Italy for services offers (values percentages)

<b>Services</b>	<b>2001</b>	<b>2003</b>	<b>2005</b>
1. Promotion of the cooperative image	72,10	62,9	67,60
2. Promotion of new services	70,10	68,8	67,60
3. Attendance in the participation to public contests	74,10	77,20	74,60
4. Attendance to the commercialization of the products and/or services	44,70	31,70	38,00
5 Attendance to the recruitment of the staff	43,70	33,90	32,00
6. Attendance to the purchase of supplies	29,90	20,50	23,20
7. Book keeping attendance and fiscal advising	49,70	44,20	42,60
8. Organization and management of participations of formation	66,00	58,00	62,30
9. Organization exchanges of information, experiences between cooperatives	72,10	66,50	70,80
10. Support the elaboration of political strategies	59,90	47,80	56,70
11. Command post civil service	35,50	26,30	30,60
12. Elaboration and coordination plans	71,60	68,3	72,50
13. Development practical administrative	45,70	48,7	49,30
14 Direct formation	62,90	53,10	54,20
15. Transmission of relative acquaintances to the production processes	29,90	20,10	26,40
16. General contracting	60,40	62,50	63,4

**Source:** Our elaboration

The activities promoted by the Consortium were reclassified in three main functions:

- 1) ideological function;
- 2) entrepreneurial function;
- 3) professional and technical function.

This evolution, as part of the functions offered by the consortia, concerns the increase of the entrepreneurial function, whereas the function of professional and technical assistance was strongly reduced. This evolution concerns above all the North- and Center-Consortia, which have a strong history and a long rootedness in the territory; viceversa, South consortia developed a multi-tasking function, also considering the young age compared to other territories.

### The Ideal-Type Consortium

There are three Ideal-Type consortia:

- 1) Consortium as a supporting structure, viz a consortium that supports the development and

- the member consolidation through consortium services (formation and technical, accounting consultancy, and so on);
- 2) Consortium as strategical agency, which has the aim of inter-connecting and giving credence to the enterprise associations in the socio-economical system of the territory.
  - 3) Consortium as an enterprise network, that treats the consortium as an organized subject “sui generis”, able to create business initiatives through greater cohesion and unity interdependence of members.

### The Change Perspectives

In the actual Italian scene, the consortia offer a great deal of very different high services. To manage the complexity of these services the consortia were persuaded to value the possibility to create specialized societies which are controlled by the consortium, or to develop alliances with subjects, which are external to the consortium network. In this perspective, the consortium would preserve more and more its ideological function, thus becoming a mediator with different persons, who were entrusted with some activities. This process generated more attention to the role played by the consortium in the territory; indeed, no longer a network of social cooperatives realizing a mutual aim, but an open-to-territory consortium, developing the general interest of the community, thus establishing relationships with other public and private authorities.

The attention on the territory always guided the choices of social cooperatives and consortia; however, the change from "network of enterprise" to "enterprise network" requires something more (Desrochers and Fischer, 2005). In particular we must take into account the need of:

1. redefining a common mission among different partners;
2. redefining the regulations for an organizing function;
3. modifying the governance system;
4. developing the strategic planning activities, with a greater attention;
5. implementing an information system to monitor socio-economic results.

The mission of a consortium should be defined, considering the identity and the vision of all participating subjects. It is necessary don't forget that the consortium, like a social enterprise, must always work for the “general interest of the community”. The activities played by the consortium must be identified by its institutional aim, in order to value the possibility to raise a direct activity management or to co-manage or to open with spin off to other subjects. These choices depend on the competences and the consortium resources, as well as on the ability to promote “networks of networks” (Kavanaugh *et al.*, 2005).

The consortium functioning depends on the links between the involved organizations.

Links can be mild in order to leave a significant autonomy on single participants; interdependence links in which it is necessary to continually find a balance between autonomy and interdependence. Moreover, the consortium has new growth perspectives, which make it “open” to new subjects different from the social cooperatives. In this way, it is possible to modify the relationships with the territory, thus promoting the signed agreements, memoranda of

understanding and other forms of cooperation. Therefore, the consortium doesn't "simply" represent the coordination of subjects offering the performance of some services but a network promoting services for the general interest. Therefore, the extension and diversification of the system, as well as the consolidation of relationships built on the territorial context become relevant. As a consequence, the visibility on the socio-economic system should grow up (Fanni and Grisi, 1987; Fici, 2005).

The formation and the consortium management needs a lot of investments not only in economic terms but also in terms of intangibles sources, as sharing of skills, knowledge, building trust and strong relations among the different players. All these activities entail that each partner in the consortium is able to understand the costs and benefits of being a network partner. Therefore, it is necessary that an internal and external financial statement develops, to show the added value deriving from being in a "network". This is an important and difficult theme to face, highlighted by a requirement developing in the periods of activity and growth of the consortium. In some cases the consortia created an aggregate budget, that is a budget summarizing the economic reality of all cooperative members of the consortium, as forming altogether a single company. To this instrument, a social "network" budget of all partners of the consortium was linked.

Which are the perspectives of a consortium as an "enterprise network"? It could promote the growth of social cooperatives and regulate their growth by monitoring the quality of services offered to the community; in this way, it is possible to evaluate the improvement of the efficiency levels of the activity. The Consortium, as a company network, could promote a specialization of the various cooperatives or subject members, acting in this way an increasing function of enterprise. From this point of view, the first change perspectives about the role of the consortium arise, namely an enterprise subject who starting from a supporting structure becomes an entrepreneurial subject promoting the activities of the different subjects in a single way.

### **3.2. The Multistakeholder Governance of The Net Community's Social Enterprise (NCSE)**

The "net" enterprise is an autonomous entrepreneurial subject that is born thanks to the functional integration of social enterprises that operate on a territory. This needs a particular attention for what concerns (Zandonai, 2005):

- the definition of the governance orders;
- the definition of the functions of each partner of the net;
- the sharing of common managerial instruments (brands of quality, certifications, and so on).

The social enterprises should adopt styles of participated governance, particularly a network of social enterprise. It is necessary to institutionalize the relationships with other organizations, besides the partner cooperatives, through partnership or other forms of alliance (Sacchetti and Sudgen, 2003).

It is needed, then, to individualize the subject that controls the network and defines the strategies and the politics to implement and promote. It will have to mirror every stakeholder involved and interested party to the entrepreneurial net activity. In fact, the multistakeholder

characteristic of the enterprise of net communities must also be reflected at a formal level has also to have a formal reflex, with their participation to the social enterprise.

In the NCSE, the aim of the organization is to face remarkable problems concerning the general territorial interest. The relationships created with the different territorial interlocutors are always in evolution both for the territorial dynamics and for the new demands that are expressed by the territory. The main organ of governance is the board of directors, both to a strategic level and to a managerial one. In fact, the governance has a multistakeholder order for the "wanted" formalization of the relationships with other organizations (enterprises, public administration, other subjects of the third sector). The difficulty of the various stakeholders to participate is to find a common language able to productively involve them in the managerial and operational aspects. Moreover a multistakeholder governance allows to promote the action of the net and the greater visibility and transparency in its own conduct, becoming in this way a subject that attracts not only economic resources.

#### **4. THE INFORMATIVE SYSTEM OF THE CONSORTIUM**

The external reporting is one of the most important instruments to create value for enterprises; for a long time, the reporting focused on income and capital. The amplification of markets, the relevance on intangibles, modified the role and the contents of reporting: therefore, the financial statement is no longer considered able to satisfy new requests of information.

In particular, it is necessary to consider:

- the enlargement of a variety of information;
- the reduction on communication timing;
- the development of instruments to realise a voluntary disclosure.

So, the level of disclosure must be adapted to new requirements and it must give details about the performance generated by enterprises.

From the theoretical point of view, the production on voluntary base of further data can be structured in two informative channels: one of economic financial forward looking type, the other of soft type. The first shows greater importance above all with regard to the business realities of medium-large dimension (eventually, listed), for which the investor has interest to reduce the informative temporal gap between the investment and the return cash: therefore, the diffusion of the strategy, the plans/programs, the risk connected with some business choices are appreciated by the financial market. Regarding to the second aspect, instead, it is undeniable that the business success, as relation system, is also conditioned, despite in a latent measure, by the representative social consent, in an incisive way, a point of force of the strategic choices because it contributes to strengthen the brand value, as well as improving the relational structure entertained with the various interlocutors, as customers, suppliers, employers and financial institutions.

The social cooperative, like the consortium of social cooperatives, has some economic and social finalities. The ability to reach such finalities partially emerges through the institutional

reporting. It is necessary to use other fit instruments to measure the "social affairs" realized by the consortium of social cooperatives.

An informative system derives from a flow of qualitative and quantitative information structured to provide data that support, also with special indicators of performance, the business decisions and allow a control on the operated activity. The informative system has to make explicit the bond among the objectives and the implemented strategies with the organizational structure and the accounting and not accounting used procedures. In a consortium of social cooperatives whose mission is mutual and social, with a governance multistakeholder, the informative system will have to be able :

- to reconcile the social purposes of solidarity with the economic-financial bonds;
- to qualify and to quantify the performances realized in social terms and the impact on the inexpensiveness, the solvency and the patrimonialization,
- to allow the internal and external subjects to estimate the realized performances.

In this way it will be possible to realize an institutional communication that helps the dialogue with the community of reference and all the external interlocutors and the internal subjects. It will be necessary therefore to realize a descriptive document that contains 1. the definition of the mission, 2. indicators of the effectiveness of the benefits realized on the collectivity through its own activity, 3. indicators that measures the fruition of the products and/or disbursed services; 4. indicators that measures the level of productivity of the activities, both quantitative and qualitative. This document must be equipped with the communication of financial statements.

## **5. THE CONSORTIUM SOL.CO IMOLA: A SOCIAL ENTERPRISE OF NET COMMUNITY**

The mission of Sol.co. Imola is the following:

"The consortium of social cooperatives Sol.co Imola is a social enterprise of net communities which operates in the territory of Imola:

- it plans and realizes services, producing common property and local development;
- it promotes and valorises people, families and community as subjects of mutual active citizenship;
- it communicates and spreads the culture of the solidarity and social responsibility.

The elements of the mission are the following:

- **Identity:** "Sol.co. Imola is the Consortium of Social Cooperatives of solidarity which operates in the Imolese territory for the construction of a communitarian and participated Welfare. It pays attention to the people, the families, the community; it founds itself upon the values of subsidiarity, solidarity, mutuality, democratic participation, social responsibility and equity. The Group Sol.co plans and realizes socio-educational services - sanitary and job insertions, with the purpose to promote social comfort, to valorise the job and to protect the dignity of the person.



- **Local Community:** the social enterprise of community is the expression of the local community, it creates the opportunity to take part to the construction of an integrated system of a responsible, solidaristic and participated Welfare, as a co-protagonist actor partner in a logic of partnership with all the other territorial actors.

- **Solidarity And Responsibility:** "it pursues the general interest of the community towards the human promotion and the social integration of the citizens" (L.381/91 art.1). It contributes to spread the culture of the solidarity and the social responsibility, that must be promoted and diffused to the whole local community (Andreus, 2003). The Consortium will reserve therefore a particular attention to the communication:

- internal, in order to concretize the spirit to be a group and to promote the net cohesion, to communicate the information which creates knowledge, common construction and therefore adhesion and affiliation to the general social project;
- external, in order to promote visibility, a coherent image with its own territorial mission, a diffused knowledge of the activities and the projects, the development and the consolidation of solidarity services and the diffusion of the social responsibility sense.

- **People, Families And Community:** they stimulate the participation of the different stakeholders ("multistakeholder": besides the workers, users, volunteers, helpers) to the business base of the consortium and the cooperatives. Particularly, they pursue an active exploitation of the human resources, namely the working social foundation which operates in the cooperatives, promoting the development, the professional growth, the continuous formation, the sense of affiliation and the auto-entrepreneurship.

- **Net Enterprise:** at Imola the Consortium and the Cooperatives act through the community politics and interventions following the net enterprise model: shared social projects coordinated with a common direction, unitary method of job, entrepreneurial initiatives coordinated in the Group, shared economic and property resources.

In the mutual exchange, the Consortium operates to promote and to sustain the development of the in partnership cooperatives, and in general of the social enterprise."

In order to fully understand the mission of the Consortium it is necessary to deepen what a social enterprise of community is . It represents an evolution of the social enterprise which considers the community dimension a substantial aspect of the enterprise identity.

It derives from the birth and the development of formal and informal relationships promoted by the social enterprise towards the collectivity and vice-versa. Its main elements concern the organizational and managerial elements. Particularly, the community dimension underlines :

- an explicit reference to the community as the stakeholder of the organization;
- a diffused ability to develop formal partnership;
- a connection structured with the principal actors of the social protection system;
- an opening of the systems of governance and of productive process.

### 5.1. The History

The consortium Sol.Co. Imola was born on 18<sup>th</sup> October 1996; founded by four social cooperatives (three of type A and one of type B), Sol.Co. it ties up the words "solidarity" and "cooperation" which express the fundamental ideas of the Consortium and of the cooperative partners. In the first year of activity, the Consortium was involved to create an identity of group that was able to safeguard the specific characteristics of each partner. In 1997, other three new cooperatives associate and the consortium decided to implement an organization divided in areas of social intervention:

- areas for elderly people,
- areas for disabled people,
- areas for the infancy,
- areas for the young people,
- areas for the mental health
- areas for the job insertion.

In 1997 the Consortium adheres to the national Consortium Gino Matterelli. Then, in 1998 other two cooperatives joined in and they started some activities to help the integration among the cooperatives adherent to the consortium through common courses of formation and retraining. In the following year, a "B" associate cooperative associate and new internal services were activated:

- active job policy;
- financings and projects;
- civil services and conscientious objectors.

In 2000 the Consortium acquired a strategic service in order to improve the services for immigrants in convention with the Consortium Social Services Imola. The Cooperative A.TL.A.S. (a cooperative founder of the consortium), according to Sol.Co., already started to promote the spin off of the social cooperative type A called "*Fuoric'entro*" specialized in mental health that was constituted during the following year. During the year, they worked to the quality plan of CGM, to obtain the certification of the Consortium and of three other cooperatives with the UNI EN ISO 9002:1994. To sustain new initiatives and to help the cooperatives in temporary difficulty, it was implemented the "Development and Solidarity" Area.

In 2001, it started a collaboration with the Imolese Mountain Community, managing for nine years the tourist area "Le Selve" in temporary Association of enterprises; it acquired the management of the services of domiciliary assistance in convention with the Consortium Social Services. It increased the number of its partnership cooperatives up to 12 unities.

In 2002 the bond with the Mountain Community was strengthened and some cooperatives of type B became the providers of services for the forest maintenance. Thus, the most important novelty is the constitution of a direction of the consortium per areas, for all the cooperatives requiring the service. In 2003, thanks to the participation to the project on the quality promoted by CGM, about various national projects on the theme of the immigration, mental health, minors, jail

and job politics, it was increased the occasion of common training in order to share the various realities of the consortium.

In 2004 another cooperative type B was born for spin off, that worked on the territory of the Commune of Conselice. In this year a lot of time and resources were devoted to the renovation of the statutes of all the cooperative partners with the aim to acknowledge the changes introduced by the new right of the companies.

In 2005, the cooperative *Fuoric'entro* produced for spin off other two cooperatives type B, so the number of partners became sixteen. Further to the revision of the statutes, in 2005 the vision of the Consortium like "a social net enterprise" was promoted, in which the consortium represented the fulcrum for the entrepreneurial, social and political development of the adherent cooperatives.

In the meeting of 30<sup>th</sup> March 2005, it was deliberated an increase of the capital and a different method to define the annual contribution of each partner which provided for the allocation of the service costs, among all the adherent partners, within the "identity group".

## 5.2. The Cooperation in the Territory of Imola

At Imola one citizen out of two is a partner of a cooperative, this datum underlines the strong and consolidated bond between cooperation and territory. It is important to provide for an economic portray of the Imolese District that however represents the sum of very different realities for dimensions, structure, activity, levels of competitiveness on the markets, innovation technology and economic - financial stability. But in this way it is possible to check the produced wealth and to verify the bond partner-cooperative-territory. The cooperatives adherent to Confcooperative and Legacoop at the end of 2006 were 132 increasing of 3,13%; the number of the partners had an increase of 2,92%, in which also the partner helpers' number is growing showing how this figure is becoming an important instrument of growth of the cooperatives and a form of investment for the local savers. The social loan suffered a 0,68% decrement from 141 to 140 million euro due to the influence of a specific sector that is in phase of reorganization. The social Capital increased of 5,9% confirming the trust of the partners and the cooperative ability of development. The greater part of the profits of budget was destined to indivisible reserves accumulating an equity net worth of the 1.442 million of euro (+ 5,37%). This caused a greater facility of access to the credit and a reduction of the financial costs. Also the employment has a positive datum that sees a 2,76% increase for the fixed employees and of the 0,8% of the fixed-term employees, this underlines the wish to use only exceptionally the atypical contracts. The income is increased of 1,83%. The export, always in growth in the last period 2002-2006, in the year 2005 suffered from a decrement of the - 6,75%. The investments of 21,21% increased for the technological turnover of some cooperative sectors. The net income equal to 91,4 million euro, of 22,56% increased, the 3% of the profit was devolved to the mutual Funds for 2,74 million euro.

**Table.** Courses of the cooperatives in Imola

<b>2002-2006 (in thousands of euro)</b>						
	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>VAR. % 2006/05</b>
Number cooperatives	120	129	130	128	132	3,13%
Fixed employees	6.490	6.732	7.220	7.498	7.705	2,76%
Other employees	1.264	1.362	1.413	1.487	1.499	0,81%
Turnover	1.952.047	1.979.609	2.204.302	2.399.405	2.443.265	1,83%
Export turnover	700.642	718.810	817.399	883.152	823.670	-6,74%
Investments	86.545	86.773	88.114	66.831	81.004	21,21%
Self-financing partners	107.325	118.923	130.173	141.782	140.818	-0,68%
Equity net worth	1.170.239	1.213.832	1.295.772	1.369.012	1.442.506	5,37%
Net income	73.084	65.569	91.580	74.626	91.464	22,56%
Partners	55.617	58.159	64.468	68.129	70.117	2,92%
Contributions to the mutual funds	2.193	1.967	2.747	2.239	2.744	22,56%

Source: ISTAT (2007).

### 5.2.1. The Social Cooperation in the Territory Of Imola

Imola developed in the years a culture and an integrated approach to the principal social problems, merging the public and private initiative. The national law 328/2000 and the regional law 2/2003 found in this context a fertile ground. The comparison and the sharing of common orientations were strengthened, they guaranteed important results and created the conditions for an integration between social and sanitary.

The main idea sustained by the local Administrations was to conjugate, in the territory, development and solidarity, with the idea that a competitive economy on the market must be supported by a strong social cohesion and by an increasing quality of the collective life (Porter, 1985).

Despite the national withdrawal of the welfare system, the Communes and the District put the social politics among the priorities of their government program with the objective to consolidate the quali-quantitative offer of the services. At the end of 2005, the territory of Imola introduced 128 cooperatives adherent to the cooperative movement, with a number of 68.129 partners with a 5,68% growth in comparison to the previous year. The accumulated equity net wealth reached 1.364.427 million euro (+5,30% in comparison to the previous year). The fixed employees became 7.498 (+3,85%); a strong integration of the consortium and a strong territorial identity developed.

### 5.3. The Model of the Consortium

The consortium model of a "Social Community Network Enterprise" proposed by Sol.Co. Imola was involved in the development of the services for the enhancement of the value, supporting the solidarity culture and expressing the active citizenship. It answered to a precise model of organizational growth that paid attention to the concept of redistribution, feeding the

constitution of local managing groups and directing the development through the growth of enterprises (Propersi and Rossi, 2006).

Sol.Co., as a "network enterprise", provided for the conditions through that the social enterprise was able to create the productive mechanisms of community and it allowed to establish processes of mutuality among social enterprises.

Concerning what it was written until now, it is possible to assert that the Consortium allows a system, that would be fragmented otherwise, to represent a collective subject with greater organizational, managerial and representation abilities.

### Stakeholders Map

The job of the consortium, in this years, allowed to individualize the carriers of affairs (stakeholders), that could influence or be influenced by the productive activity of the organization by politics and working process. With such stakeholders, Sol.Co. ideally stipulated an "ideal social contract" that concerns the idea of justice, where the affairs of all have to be considered and all have to be informed with truthfulness in order to reach a voluntary accord for their satisfaction.

The stakeholders were individualized through a model provided by the CGM said model B-RES that distinguishes the stakeholders in the following way:

<b>The carriers of affairs (stakeholders)</b>	<b>The carriers of affairs (external stakeholders)</b>
Directional organs - Board of directors - Directional team / managers / executives of areas - College of auditors	Net CGM - other cooperatives - territorial consortia - consortium of purpose - consortium CGM
Partners - meeting - workhands - disadvantaged people - voluntary people - users - helpers	Political net of affiliation  Net third sector and not
Other human resources - lenders - disadvantaged people - voluntary people - internal people	Territorial net - local institutions - local community
Users (no partners)	Economic net - buyer / client - suppliers - financiers profitors - financiers donors

### Territorial Relationships

One of the main values of the Consortium is the "territorial rooting" that characterizes all its history. Some referents of the consortium ASA or members of the cooperatives take part to nine groups of contractual politics, for the coordination of groups, associations and cooperatives and for

the promotion of the mental health, of the juvenile realities, of the disabled students, and so on. The Consortium actively collaborates with a lot of associations that deal with young people, elderly people, for cultural projects, to better disadvantaged conditions, for disabled persons, etc. They also work in collaboration with Banks, Foundations, Libraries, Caritas Diocesi, Social Centres, formative Corporate body, Parishes, Schools, Municipal services, University of Bologna, Ferrara, Modena and Reggio Emilia.

### Adhesions

The Consortium Sol.Co. Imola supports:

- " Cisq-Cert: for the Consortium and the other adherent cooperatives quality system;
- " CGM: national consortium of social cooperatives. Moreover, it adheres to Accordi, Luoghi per crescere, Mestieri, Mondì solidali, Pan, (other consortia of the net CGM);
- " Confcooperative - Union in Bologna and Federsolidarietà;
- " CSA: administrative-service centre created by Confcooperative in Bologna;
- " Ippogrifo: a consortium for the unitary sake (Confcooperative and Legacoop) constituted to coordinate and to promote the activities of the imolese social cooperatives in the sector of the psychiatry and the mental health.

#### 5.3.1. The Governance of Sol.co. Imola

During the years, different models of business organization were formed and they changed according to the strategic changes, the effectiveness, the market, the development and the partners, particularly, the principal aim was to strengthen the participation and the democratic operation of the group.

Besides the systems of government of each cooperative, the governance of the consortium provides for the following organisms:

- **Stock meeting:** it is the sovereign organ of consortium, constituted by the delegates named by the Board of Directors;
- **Board of Directors:** it has the direction of the consortium, as a "net enterprise" and it plays a very ample role. It is composed by thirteen advisers;
- **President:** he is the legal representative, he is the responsible person and he represents the corporate body in the civil and penal office. He takes care of the aspects of the political promotion safeguarding the identity and the cohesion of the Consortium. It covers the role of managing director for the development of business;
- **Meeting of the presidents:** it is an advisory organ that develops a sharing role and coordinates the internal and entrepreneurial themes (relationship between cooperatives and Consortium). All the presidents take part;
- **Executive committee:** it is summoned by the president of the Consortium and it is composed by five advisers delegated by the Board of directors. The Committee guarantees the regular course of the Consortium.

The Consortium wanted to promote its bond with the Imola territory and its local community, this influenced the governance and particularly the constitution of the board of directors or "multistakeholder.". In fact, the Board of directors was constituted to interpret the demands of the "new social base", and it was composed by the presidents of the cooperatives but also by the advisers that represent the category of the partner workers, in representation of external subjects to the cooperation and in presence also of other peripheral territories.

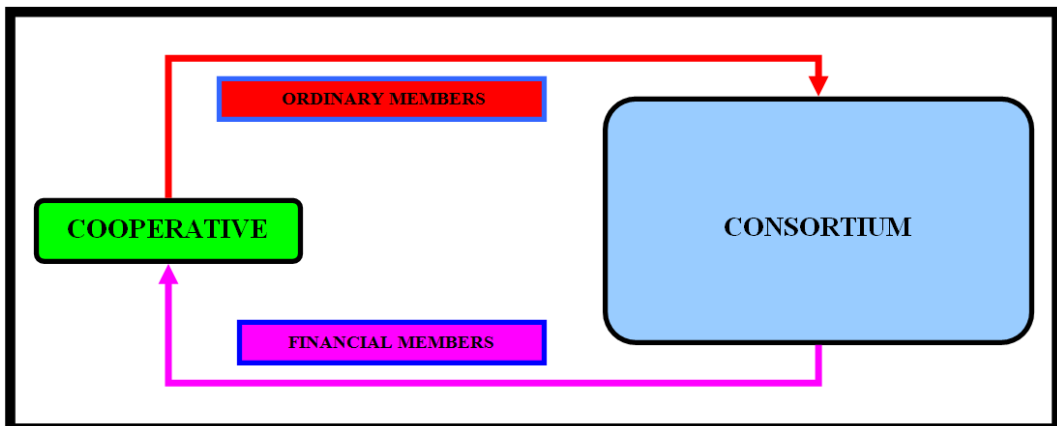
Moreover, the consortium Sol.co. nominated an adviser in the Board of directors of the in partnership cooperatives as partner helper. In this perspective, the consortium realized its mission to promote the "general interest of the community" and its finality of social enterprise of the community while the single cooperative promoted the activity concerning a "specific sector of intervention."

It was shown that the net enterprise is an infrastructured consortium of communities and that the possibility to build a unique business derives from the "sharing" of the sovereignty.

This model of society could work with a limited number of adherent cooperatives in order to guarantee the efficiency and effectiveness.

The executive committee governs and manages the activity of enterprise, while, the Meeting of the Presidents is necessary to guarantee the link of the "group."

**Table.** Consortium of community



Source: Our elaboration

#### 5.4. The Activities and the Offered Services

During the years the consortium lived a constant evolution and differentiation of the offered services. The principal categories are: -young people; elderly people; mental health; immigration; disabled people; active job politics.

Also considering the unitary management of all the activities and the general necessity to optimize the resources and the structures, each sector has its own specific service, about the ideation of the single projects, and about the level of operational management.

Each sector has some fundamental principles inspired to the carrying out of the service and the objectives.

The young people area is divided in: services for the first infancy and young people. The first one deals with the management childcare facility, schools for the infancy, extra-school activities, The second deals with the management of the educational community for young people, community for mothers with children and other education and formation services.

The elderly people area manages or plans services for domiciliary assistance, services for animation in diurnal centres and new services for the family support with elderly people.

The mental health area enhances the opportunity of emancipation for the people with psychic uneasiness and for their relatives. A series of interventions are promoted, programmed by many actual realities on the territory (not only cooperatives). The proposed service is that of the partner-rehabilitative residences, or community and groups of apartment that lodge people discharged by psychiatric hospitals. Each person follows a personalized rehabilitation program, finalized to the possible resignation and the recovery of the psychic health.

In the last three years a job counter for the first employment devoted to immigrated people and orientation services were provided in connection with the territorial services (health, education, education, formation, etc.) and the research of a house and legal assistance. The area of the adult uneasiness deals with three principal macro-areas: jail; drug addiction; new poverties. In this circle six cooperatives work through the intervention of operators that promote interviews on the job, activity of group for social insertion.

The disability area, both psychic and physic, promotes in the schools educational services for the scholastic integration to guarantee equal opportunities with the other students, other cooperatives, while, they intervene on the integration in the world of the job. The area active job politics concerns both the job insertions and the entrepreneurial development of the cooperatives type B, they operates in the catering sectors, maintenance of the green and environmental hygiene, house building, carpentry, production and other services. To help a greater integration and development of this area, a "coordination of the active job politics " was born both to guarantee a job of "net" both to help the collaboration with public subjects and deprived enterprises.

### **5.5. From Net of Enterprises to Social Enterprise of Net Community**

For a long time, the mission of the consortium was "to be in the community service" and therefore to promote and to create spaces of "subsidiarity", or starting from the needs of the local community rather than to attend the issue of public services from Public Administration. The other peculiar element of Sol. Co. consisted in being a "social community enterprise net". The cooperatives adherent to Sol.Co. limited their own sovereignty like a federal State, in this way it showed an unitary system of enterprise and distinction at the same time. Currently the consortium is formed by sixteen cooperatives and only five are not connected to a process of spin off. The passage from "net of enterprises" to "net enterprise" derived because the consortium wasn't willing to furnish any service to the associates but it wanted to realize the "general interest of the



community" or to become an enterprise of reference for the imolese territory. This involved one economic and managerial "revolution", besides a greater involvement and cohesion of the cooperative partners.

The cornerstone instrument for the realizations of this new order is the internal finance of the grouping of the consortium, through a strategy based on three pillars:

- 1) cross capitalization among cooperative partners and consortium
- 2) a centralized service of treasury
- 3) modulation of the annual quotas of adhesion to the consortium.

The cross capitalization among cooperative partners and consortium provides for: the increment of the social capital of the consortium (equal to the 25% of their net equity worth) and the consortium interventions as a partner helper of the cooperative with one fixed (5000) and one variable quota that express the cooperative state of health and the support of innovative projects. In this way, a form of inside redistribution of the wealth is guaranteed, sustained by consistent social quotas in the cooperatives and from further partner helpers in the structure of consortium that allows to increase subsequently the capital of the net.

The creation of a centralized treasury financed by the instrument of the social loan is managed thanks to the shares of the cooperatives in the consortium and viceversa.

This allows to effectively manage the liquidity using the availability of the virtuous cooperatives; another very important effect is to limit the request of external credit for contingent situations like the delay of the payments.

The annual quota of adhesion to the consortium provides for two separate contributions:

- a percentage equal to 1.75% of the cooperative partners value production which finances the costs of the net like governance, representation, etc.
- a percentage equal to 5% of EBITDA is used to constitute an internal fund of mutuality destined to sustain new entrepreneurial initiatives or the business restructuring.

The adhesion to the consortium provides for a high cost for the partners but, at the same time, it allows to enter an united system, that is able to sustain the growth and the development of the adherent enterprises.

A mutual net among cooperative partners and consortium just appeared and a common treasury was born. The cohesion of the Consortium is not only internal, but also turned outside.

The relationship with the Banks and the credit system for instance happens through a unique interlocutor, or rather the Consortium.

The cooperatives that adhere to the Consortium, take part to it, in order to get a series of services and to develop its role of social enterprises system able to promote comfort and integration on the territory.

## **5.6. A Consolidated Informative System: The United Budget**

In the tenth year of activity, Sol.Co. Imola, realized a social Relationship in order to succeed in showing the economic and social results achieved by the net. The introduced social relationship

was articulated in four areas: - Business identity; - Value Added; - Social activity; - Future engagements. Business identity was reconstructed and represented through the description of the consortium's history and the most meaningful events that, year after year, characterized its evolution, as a social enterprise of "group" (Matacena, 1984; Rusconi, 1988; Mari, 1994; Manni, 2005). Its identity characterized moreover by a brief description of the activities developed by each cooperative partner. Moreover, there is a territorial contextualization of the group, which is necessary to understand the specificities of the consortium and its own connection with the territory. A meaningful importance covers the description of the consortium's mission and the definition of the stakeholders' map which clarifies the consortium role of Network on the territory. Once defined the environment of reference and the inspiring principles of the actions with which the consortium intends to interact with that environment, the informative document introduces the organizational structure with which the Consortium intends to give concrete realization to its strategies and its governance.

It is very important the choice of the Consortium that isn't to insert in the chapter "Value Added" (EBITDA) the data of the consortium but to propose one budget of all the single cooperatives, concerning both the determination of the assistant Value and its destruction is.

In the chapter social activities "the categories of social partners, employees, clients and users, suppliers, were analyzed the activity and service offered by the consortium and finally the relationships with the subject of the territory .

In the voice partners, a scheme was proposed that allowed to individualize the different categories of partners such as: workers partners, ordinary partners, financiers partners, voluntary partners. It follows the information about the division between female and male partners. The principle element of that voice is the indication on the territorial origin of the partners: the indication of the number of partners resident in the Common of Imola, in the District of the Imola, of those with an origin out of the Common of Imola; the wish of the consortium is to show as a rooted enterprise/group on the territory, characterized for the territoriality of its strategy. Also the voice "personal" anticipates the same information on the workers' origin divided among the residents at Imola, the residents out of the Province and the residents of the province of Bologna, in order to confirm the specificity of the information to be provided for the individualization of the territorial community as a privileged recipient of the external information.

In the area "Clients" the consortium left again the sales realized with "public corporate body" Clients and the sales realized with "private citizens". In order to evaluate the creation of value and its distribution on the territory the clients and the consumers of the Consortium were reclassified in relation to the affiliation with the territory of Imola, with the territory of Bologna, of Ravenna and to the total sales realized in region or out of region. It is also important to underline the composition of the total sales on the base of the offered services areas: - minors; cooperatives type B; elderly, mental health, disabled people, immigration. Equally, for the voice Suppliers, the territorial aspect were underlined between purchases happened in the Region Emilia-Romagna and purchases sustained out of region. Then all the activities developed by the Consortium are

described, underlining the growth of integrated strategies with different territorial, both public and private, realities. In fact, for this reason there is the voice "Relationships with the present resources on the territory" that underlines the collaborations developed with varied corporate bodies and organizations, and the interventions on decisions that concern different themes.

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