



CASES OF GOOD MANAGERIAL PRACTICES



The Insieme Co-operative

GENERAL INFORMATION

Area

Creation of local networks for fund-raising initiatives.

Abstract

The Insieme co-operative has established several close relationships and contacts with local organisations. The co-operative not only perceives the needs of the local community, but also works to sensitise people and aggregate them for the discussion of social-related issues, as well as promote specific actions in the same framework. Insieme is actually the “hub” of a network consisting of many diverse organisations: third-sector businesses, private citizens, public administrations and some for-profit companies. Attention paid to social-care issues has always walked along with an intense sensitisation work of economic and communication aspects. In fact the Insieme co-operative’s strategy aimed to involve the whole social structure, not only in choices of social value but also in organisational and managerial decisions.

The co-operative is divided into different areas, according to the type of services offered, and each area has a coordinator who is the person actually in charge of all economic and administrative aspects. Besides, the organisation has always developed training curricula for its members, featuring issues of social and managerial nature. Another important element is the investment made in terms of communication for the dissemination of information to the citizens and their involvement in the co-operative’s initiatives. Thanks to all these elements, Insieme is reference organisation for the third sector in the area of Vicenza, as it has the ability to involve people in social initiatives and especially in innovative activities. In this context a fund-raising campaign was launched for the erection of the new headquarters was promoted. This initiative, which was based on the “Tree house” event of Adelante co-operative, is particularly interesting because Insieme was able to proceed with different fronts at the same time: involving the entire organization in the whole process (e.g. some members contributed with their advice to the design of the premises), involving citizens (the headquarters belong to the city and were built to meet the needs of some citizens) and donors (some internal administrators were responsible for the relations with some important financiers), financial administration (all financial aspects were managed by the co-operative directly, which had developed important competencies in this field over the years), communication management (the communication aspects were coordinated by an internal member who also contracted external professionals).

THE SOCIAL CO-OPERATIVE

Registry

Name: Insieme social co-operative

President: Mr. Marco Vincenzi

Size (as of 31 Dec. 2005):

member workers: 40

disadvantaged members: 25

volunteers: 8-10

interns: 8

employees: 2

Turnover

Sales: €1,193,486.08

Total proceeds: €1,718,588.14

Headquarters:

Via dalla Scola, 255 - 36100 VICENZA

Offices:

Sales point of Vicenza

Via dalla Scola, 255 - 36100 VICENZA

Tel. +39 0444.511562 – Fax 511067

Eco-centre of Longare

Via Ponte di Costozza – LONGARE

Tel. +39 800 577006

Ecological & recycling centre - West

Via Fornaci, 5 - 36100 VICENZA

Tel. +39 0444.560507 – Fax 511067

Eco-centre of Torri

Via 1° Maggio – TORRI DI QUARTESOLO

Tel. +39 0444.580604

Sales point of Arzignano

Via Olimpica - 36071 ARZIGNANO

Tel. +39 0444.452676 – Fax 458644

Weekly collection centre of Marola

Via Dal Ponte – Marola di TORRI DI QUARTESOLO

Eco-centre of Arzignano

Via Olimpica - 36071 ARZIGNANO

Tel. +39 0444. 452676

Established in:

1980

Business:

“B” co-operative

Activities

1. The areas

Production activities aim to design and deliver educational projects for people in disadvantaged situations through a working experience. Over the last 20 years, the services for the recovery, reuse and recycling of materials have provided a learning environment in preparation for a proper job

where tasks, duties, contacts with citizens and context have become “tools for people’s growth at the relational level and in professional skills”.

The recycling activities have consolidated especially with the multi-service company AIM s.p.a. (environment, electricity, gas methane distribution, public transport, water distribution, telecommunications), the Municipality of Arzignano and the Municipality of Torri di Quartesolo. The services are managed by operators directly, while the direct relationship with citizens is assured through the methods of organization that had already been tested.

The following are the offered services:

- Management of recycling points;
- Clearing out;
- Collection of bulky material;
- Sales points of reusable materials;
- Restoration and sale of antiques;
- Second-hand clothing;
- Counselling in social and ecological subjects.

2. People assisted for employment opportunities: a customised educational project

The employment opportunity service of the Insieme co-operative has been consolidating over the last twenty years, but it keeps evolving as the people’s needs change: it is an educational offer which derives from the need to provide an adult environment that minors and young troubled people may refer to. Minors and young people with serious alienation or social exclusion problems are given the opportunity to follow a curriculum for personal growth. With an on-the-job experience, they start a process that leads them to independence and local social inclusion. The goal is to experiment oneself in a process to assess one’s history and resources, strengthen one’s own self-esteem and become more aware of one’s life change.

3. Promoting and sensitising citizens on waste management

As far as recycling of waste products and reuse of goods are concerned, the co-operative’s services and offers are directly addressed to local citizens in their daily practices. Thanks to the close connection with the local community, the co-operative has carried out some important experiences for the sensitisation, promotion and involvement of citizens with regards to the above-mentioned issues. It is worth mentioning:

- on-the-job training and internships of school groups and associations (scouts, youth groups, parents and family associations) featuring direct experiences with professionals, even through the production and display of objects made with recycled material
- study tours of single citizens and families to selection & recycling centres
- education initiatives for students in the field of waste management & recycling
- promotion of exhibitions and on-the-spot productions of art works, exclusively made with recycled material
- participation in parties and events with booths showing the recycling activities.

Geographical context

Provincial

Web site

www.insiemesociale.it

History

The Insieme co-operative was established by some groups of citizens who were actively involved in helping troubled young people – especially those with problems of drug addiction, prostitution, theft, conviction. These citizens decided to promote activities to help the troubled people reintegrate

in the community. In 1980, after a year of informal meeting and consultations, the “B” social co-operative Insieme was formally established in the city of Vicenza.

Insieme started offering educational services to help young troubled people find a “normal job opportunity”, in collaboration with some local associations and social services, namely the municipality, the health & care companies and the Ministry of Justice.

Although the activities of the co-operative have never been limited to mere actions in the above-mentioned sphere, they intend to pursue a joint “project of life, labour and participation”. In other words, Insieme’s mission is also to “do” politics and promote cultural processes to understand and act effectively in the loops that attract some people and make them lose their referral paths. Therefore each action follows a logic of growth that concerns the individuals being assisted, the co-operative’s members and, whenever possible, a part of the community.

Based on this, Insieme has always looked for a close collaboration with the public administrations, with other local co-operatives and associations, also in order to develop initiatives and events in support to its own specific activity.

In 1983, Insieme set up the “Soccorso Giuridico” (legal assistance) group, which aids people who are in trouble with the law or are somehow convicted. Later in 1995, the “Rete famiglie aperte” (network of open families) association was founded. This organisation hosts minors from seriously troubled families and in 1997, always with the aid and support of Insieme, the Tangram social co-operative (a type “A” co-op) was established for the purpose of offering education to young women and teenagers with problems, even featuring self-managed apartments.

Finally in 1999, the Insieme co-operative, the Rete famiglie aperte association and the Tangram co-operative realised that it was necessary to start working in an integrated and joint way. That is when they decided to start a joint association called “Progetto Sulla Soglia” (on the threshold project). The goal of this organisation is to integrate “the specific features of the associated”, as well as to give value to “some skills, professionals and resources for the joint and coordinated management of internal and external functions [...], by expressing the everybody’s coordinated willingness to join coordinating groups, consortia and public bodies.” (from the project’s statute”, art. 3).

The close contacts with the local community, especially with various organisations of the third sector and with the public administration, the attention paid to new emerging social issues and the willingness to involve and inform the citizens on the co-operative’s activities, are distinctive features of Insieme; these characteristics demonstrate that the co-operative is highly integrated with its community.

Working context

The co-operative’s main business is the collection and reuse of waste materials.

It runs recycling points in partnership with AIM (Vicenza municipal service company) and with close-by municipalities; for the re-sale and upgrade of reusable materials; clearing-out services, collection of bulky material, restoration and sale of furniture and antiques, second-hand clothes, recycling of electronic waste, consultancy in ecological themes; production of cleaning rags; recycling of IT hardware.

The choice to work in the above-mentioned sectors has also had an impact on the internal organisation. As far as the organisation is concerned, the co-operative seems to experience continuous changes; it is divided into two main coordination areas – the recycling area and the reuse area, and these coordinate all alike sectors, featuring manifold activities.

The co-operatives’ supporting structure is represented by the area responsibility centres. Based on the decisions made by the board of members, the areas define the economic, productive, commercial, managerial and educational goals of the co-operative. They also take care of the aspects concerning the hosting of troubled people, the definition of their educational projects and the organisation of the workers’ time schedule. For all ordinary administration, during the activities the areas make their own decisions, both for economic and educational aspects. The link between the areas and the decision-makers (board of directors and members) is expressed through a

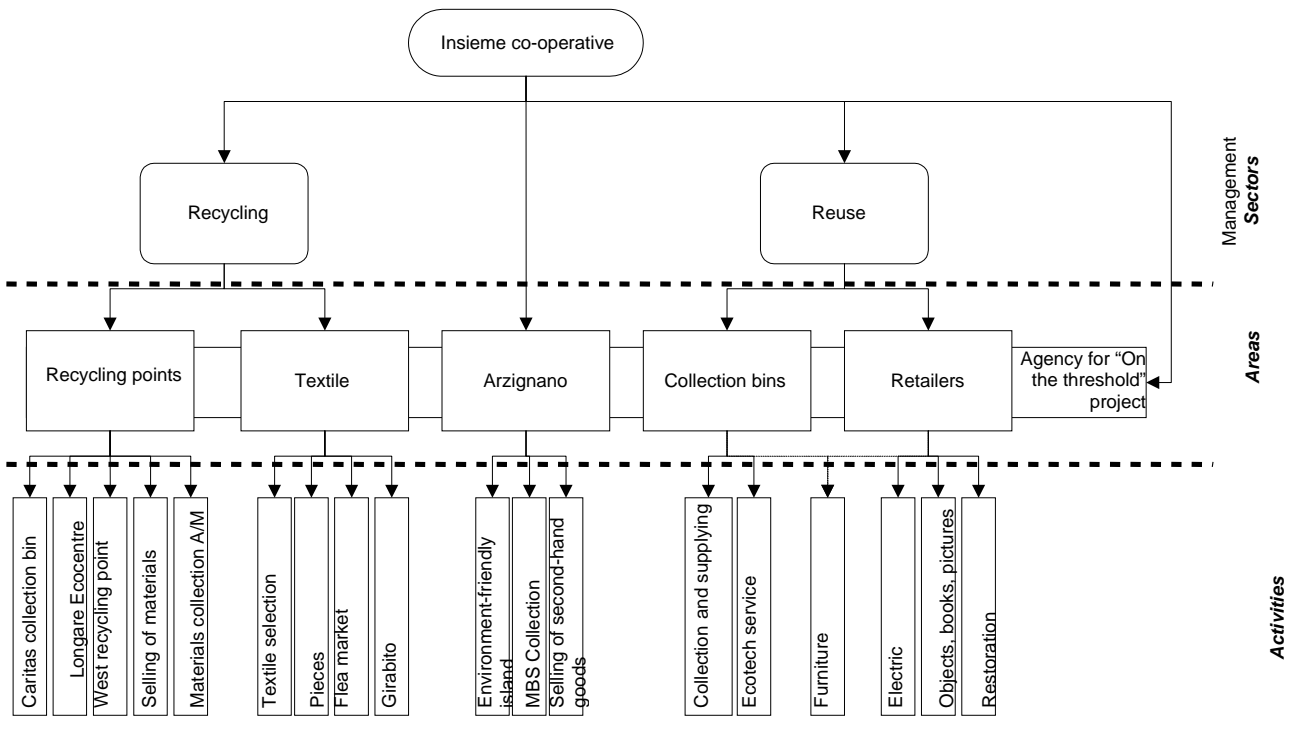
reference person appointed for this purpose, who is elected by the board of members and periodically reports to the administrators to update them on the activities carried out, the decisions made and the programmes defined. The choice to have more than one area (5) in the co-operative is a consequence of its willingness to involve a great number of associates in the management of the company, in order to promote their participation and responsibility on the achieved results. The coordination of the various areas takes place with cross functions, which are partly shared with the agency of the “On the threshold” project.

As far as the staff is concerned, Insieme gathers 83 members. The so-called “disadvantaged” members stay in the co-operative for a time ranging from 6 months to 2 years, depending on their educational project. Their salary is decided upon with the provincial equal opportunities commission and is connected with their educational project. It is worth mentioning that the policy on salaries features equal retributions for all members with responsibilities, so to strengthen their relations and join them in the sense of duty. The turnover of people in the co-operative has always being low and that is probably due to the composition of the members themselves who, not only participate in the Insieme’s life to work, but especially to find a place where they can share their basic values.

Regarding the beneficiaries of Insieme, since its establishment on 31 Dec. 2005, the co-operative has hosted 350 disadvantaged people, most of them were formerly convicted people (25%), drug addicts (35%), people with psychiatric problems (15%), minors (15%) and others – homeless, disabled, etc. – (10%). It is worth mentioning that, over the last few years, there has been an increase in the number of people with psychiatric problems.

With regards to the external framework, the network of relations around the co-operative is locally-provincially-based. But there is also participation in various networks and initiatives which focus on diverse social issues. At the municipal/provincial level, Insieme is a reference point for the third sector and for some aspects of the civil society. If, on one side this acknowledgment is a great source of acknowledgement of the co-operative’s work, with economic benefits such as signed agreements and less precarious situations, on the other side it is also a major investment in terms of energy spent to establish and develop a network among the various institutions.

Membership structure of the Insieme social co-operative



THE AREA OF MANAGERIAL EXCELLENCE

One of the main issues that the co-operative has recently tackled was to build up a new 3,300-square-meter building that cost €2,300,000.00, and whose grand opening took place on 28 January 2006. That is where the co-operative wanted to have its headquarters, after it was forced to move from the former premises in Vicenza. Based on the principle that social enterprises do not belong to those who work in the social field but to the citizens, the co-operative decided to build its headquarters on a piece of land that belonged to the municipality and asked for a permit of superficial tenure for the following 50 years.

The fund-raising initiative received contributions from the Municipality of Vicenza, the CariVerona (savings' bank) Foundation (€500,000) and 450 people, enterprises, co-operatives, associations (€97,000). A promotion committee was also set up (the InvestInsieme initiative) which worked to ensure transparency and enabled citizens to directly participate in the project with forms of ethical finance. The main forms that were used – through two banks – consisted of bonds (CentroVeneto bank for €619,000.00) that may be re-valued and expropriated for a lower amount, with the transfer of the difference to the co-operative, and of “dedicated” certificates of deposit (Ethical bank €208,217.00) for the mortgage payments. 50% of the bonds were directly allocated by the bank to the customers and the other 50% by the Insieme co-operative. The bonds were issued before the mortgage was raised.

Source: Insieme co-operative

People involved in the "InvestINSIEME" initiative							
	value	total	Assoc/Groups	singles	known.	new	%
Bonds:							
joint	119,000	44	5	39	32	12	27%
friendly	150,000	66	5	61	14	52	79%
contributing	350,000	+150/200 (operation)					99%
Certificates of dep.:	209,297	49	1	48	23	25	51%
Free contributions	97,500	72	13	59	65	7	10%
Traslocalinsieme initiative	-----	98	1	97	85	12	12%

This contributed to the reduction of the mortgage costs. The issuance of the bonds ended up being a safer financial method than the sale of dedicated certificates of deposit, as the clients had the opportunity to give the matured interests to other activities in the last minute.

Beside the actual building of the new headquarters, other benefits of the initiative were as follows:

- a turnover increase by 6%. The availability of more and better organised spaces positively contributed to sales activities;
- a new way of “thinking” and strengthening of the vision. Building the new cooperative’s premises was the chance to review its fundamental way of thinking;
- a piece of evidence of the co-operative’s value: 1) attention to alienated people, especially ex-convicts. The new headquarters are located right across from the prison of Vicenza, so to prove that the co-operative is close and willing to assist; 2) more openness toward the city. The new headquarters feature spaces that may host initiatives other organisations promote; 3) attention to the environment. The new location was built in a way to reduce the impact on the environment and to include energy-saving systems and structures. The construction received the international award of the “Dedalo & Minosse” architectural commission;

- increase in the network contacts. The initiative contributed to give more significance to the alliances that the co-operative had already established and to create new relations with external organisations;
- more participation of the members to social life.

Human resources dedicated to the project

(presence and role)

The organization of the fund-raise was internally assigned to a group of 4 people, as follows:

- one person for the coordination of the activities and as the co-op's representative;
- one person for the relations with public institutions;
- one person for the communication activities;
- one person with specific economic and financial competencies.

This group was also supposed to constantly report to the board of members so to keep them up to date on the developments and to the people in charge of the 6 areas.

Beside the internal staff, some external advisors were also involved, namely 3 designers who dealt with the architectural work and 1 person with expertise in the management of the relations with public administrations. Aware of the importance of keeping the initiative as transparent as possible, the co-operative's members also invested in a professional journalist who took care of the relations with the medias (television and press), thus contributing to strengthen the trust of the supporters and find new donors.

It is worth mentioning that in 2005, the work that the co-operative's staff dedicated to the initiative was estimated in €18,000.

Partners and external organisations

The main partners of the "Investinsieme" project were as follows:

- two organisations already connected with the Insieme social co-operative by a project in the social field called "Progetto sulla Soglia" (On the threshold): the Tangram social co-operative (type A) and the "Rete famiglie aperte" (network of open families) association. They are both involved in the assistance to troubled teenagers and young people;
- two banks located in the province of Vicenza (the Centroveneto bank and the Ethical bank). They created specific financial tools for the fund-raise (3 types of bonds: joint, friendly and contributing).

Critical aspects of success

The critical aspects that contributed to the success of the initiative were as follows:

- the working style of the Insieme social co-operative, associated with an economic and patrimonial solidity that led contributors to make important economic donations;
- the economic-patrimonial solidity. Ever since 1996 the co-operative has paid a lot of attention to building its own patrimonial solidity, by setting the goal to reach a social capital of ITL 500,000,000 (the equivalent of €500,000 in 2006). The policy to establish economic solidity, next to a good commercial ability (determined by a consolidated sales volume in the market) and the development of internal competencies in the economic-patrimonial-financial fields, were the elements that encouraged the co-operative to risk a large indebtedness. The overall investment (initially estimated in €1,600,000, then gone up to €2,300,000) was higher than its production value. Nevertheless, taken into account that the credit of third parties had to be found, the co-operative's indebtedness did not go past the 4:1 ratio, with respect to its net patrimony;
- the group of members, who featured a high cohesion and sharing of values that allowed them to understand the importance of investing in new headquarters, not only because of practical needs, but also because it was an opportunity to change and evolve in terms of better social inclusion in the local realities;

- the communication activities, both internal – addressed to the co-operative’s members with the purpose of constantly updating on the progress – and external – to maintain a solid relationship with the contributors ensuring them that the administration of the activities was completely transparent;
- the willingness to make innovation, to go further on in the city and local community involvement and inclusion.

Development goals

The future goals of the Insieme co-operative do not specifically belong to the field of ethical finance, but rather focus on the maintenance of a steady connection with the citizens and the local Public Administration directly involved in the fund raise. There are two main types of investments the social co-operative Insieme intends to concentrate on:

- an environmental investment concerning the creation of an eco-civic park dedicated to the collection and recycling of domestic waste, next to the presence of green areas to organise environmental education activities addressed to families and students of the local schools;
- a more commercial one, as a consequence of the need to associate a precise meaning to a trade mark used within the shops and markets the co-operative runs, in order to send a specific message on the importance of recycling and reusing objects (concept-store).

Researchers

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