Economy

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New perspectives of the cooperative system

GRIN

Bibliographic information published by the German National Library:

The German National Library lists this publication in the National Bibliography; detailed bibliographic data are available on the Internet at http://dnb.dnb.de .

Imprint:

ISBN: 9783346083579

This book at GRIN:

https://www.grin.com/document/508203

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GRIN Verlag

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Table of Contents

Introduction

Cooperation is now an experience in "doing business" that has been consolidated over time, becoming increasingly widespread throughout the world. It is able to adapt both to the different phases that the economic system faces, and to the various challenges that sectoral, organizational and technological innovation impose systematically.

The cooperative system's ability to adapt and to maintain its own autonomous capacity to develop economically consolidated experiences over time, offers numerous food for thought for all those interested in managerial and entrepreneurial issues.

The values on which, for more than one hundred and fifty years, the entrepreneurial experience has been developed with reference to this type of company represent an important element of reflection. They are also a source of learning, for those who want to evaluate the effects that the search for consistent behavior and the application of appropriate management and strategic methods determines in the development of companies with these institutional characteristics.

Another interesting factor that can be deduced from a careful analysis of how cooperative companies operate is linked to their ability to support, through a strong and systematic investment in terms of processes and internal and external communication, the motivation of members, workers, while generating important opportunities for partnership with other stakeholder reference group.

In this lecture we outline some relevant aspects about the way cooperative enterprises operate in their own external reference context (market), representing the levers they use to strengthen their management: the primary objective of the paper is, therefore, to draw inspiration from these experiences to be able to assess the possibility of applying experiences and tools in different institutional contexts.

From this point of view, it is clear that a business model strongly oriented towards developing participatory logics, which has always been attentive to environmental and sustainability issues (in a sense anticipating new managerial theories), and which bases a large part of internal management on respect for rules and guidelines that today we define as "organizational well-being", represents an important and very useful experiential front for those who today are equipped to follow the same managerial logics.

The report also highlights the consolidated propensity to innovation, emphasizing the way cooperatives have been able to profitably occupy the most disparate sectors of the economy, but have also ended up determining new orientations of values and strategies that have become common even in the business world.

This influence has meant that over time companies have ended up adopting many of the values of reference of these businesses but have also drawn on experience and processes developed in companies of a mutualistic and participatory nature.

This process of comparison has increasingly legitimized the cooperative world to be a reliable partner for developing complex projects in which companies with different institutional forms (public administration, credit institutions, private companies) operate.

The strategic vision that sees the cooperative world increasingly active as a point of reference in its own environment is another element of reflection remarked in this paper.

This makes it possible to highlight how much the future of the territories requires approaches linked to glocal visions, that is, capable of giving rise to customized interventions but able not to renounce the elements of rationalization that the complex activities suggest to adopt.

This lecture closes by recalling some considerations on the new challenges that the cooperative world is facing, underlining, once again, the way they are in line with what other companies have to manage. Among these, the most important are those related to the issues of artificial intelligence and the way, even faced with these "innovations", the cooperative world must move in line with its guiding principles and its values.

First part: The cooperatives as social responsible companies

1. Corporate Social Responsibility in the DNA of the cooperative model *(Mario Mazzoleni)*

What is a cooperative?

Cooperatives are people-centred companies owned, controlled and run by and for their members to realise their common economic, social, and cultural needs and aspirations (ICA, 2019). The theme of the relationship between Cooperation and Corporate Social Responsibility (CSR) can be approached from various points of view, involving interesting analysis points on which to focus some in-depth analysis.

First of all, it is clear that a reflection on the responsible orientation in the action of cooperatives should refer to being a cooperative as a company (Giacomini, Chiaf & Mazzoleni, 2016).
In this case it is worth referring to what has been written by various authors regarding the increasingly stringent link between social responsibility and being and doing business (Maier, Meyer & Steinbereithner, 2014, Mazzoleni, 2005, Friederick, 1988)) to underline how the pressures to rethink the management logics of companies based on a recognized need to pay attention to "ethical"

responsibilities or those which go beyond the strict institutional goals are increasingly clearly present both at a theoretical level and with regard to the identification of operating methods (Shiller, 2012).

A second interesting approach leads us to rethink the relationship between cooperation and our own environmental context by virtue of the changed institutional conditions and the consequent role that cooperative companies have assumed and tend to cover as a result of important changes that have occurred especially in the Italian context (Borzaga, 2015; Mazzoleni, 1996; Mori, 2015)

In this case, the theme can be developed starting from the definition of the positioning of the cooperative enterprises and from the consequent needs to move in their own "market" taking care to pay attention to the stakeholders of reference.

In particular, it is interesting to point out that in recent years the cooperative system has assumed a sort of double presence in the economic and social system, on the one hand by consolidating its role in different markets (also with important percentages of protection or, indeed, prominent such as in the large-scale retail sector, logistics, housing and services), on the other hand presenting itself as a system capable of supporting the welfare system as an alternative or in collaboration with what is offered by public institutions[4].

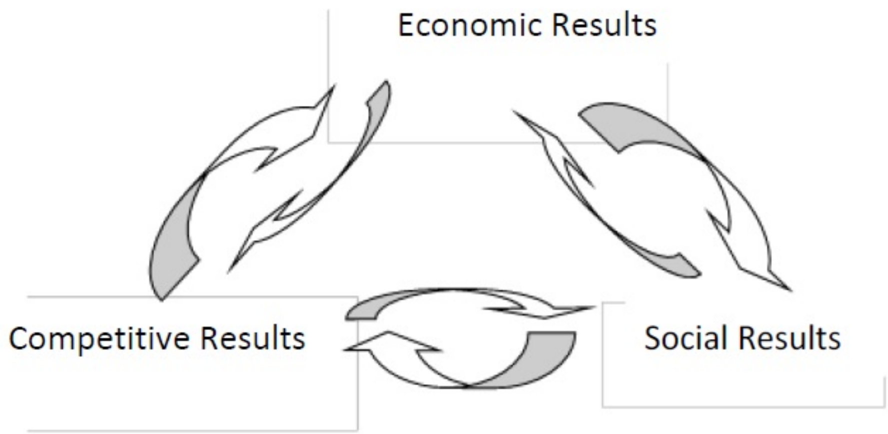
It should also be emphasized that, from this point of view, the recent evolution of needs and the increasingly evident need to coordinate interventions in the territories that see more subjects acting in coordination between them, determine an increasingly important role of cooperation also, to above all, in relation to one's natural propensities to link the economic, environmental and social approaches in a virtuous way (Borzaga, 2018; Szekely & Dossa, 2017).

Entering into the merits of the relationship between orientation towards social responsibility and the development of cooperative enterprises, the location, also for these companies, of a social economic system where individuals interact to satisfy their own needs, placing themselves in a systemic relationship with each other in the respect, therefore, also for conditions of a social nature in a framework that thus becomes socially responsible. This affirmation constitutes the theoretical support on which the line of Corporate Social Responsibility is based[6]: companies as social actors who can no longer limit themselves to producing profits, but must have wider objectives[7].

Before delving into the implications of the current subject, it seems useful to recall that this vision, in addition to having a strong following in the current economic literature, also constitutes the foundation of the constitutional meaning of enterprise: "Private economic initiative is free. It cannot take place in contrast with social utility or in such a way as to damage safety, freedom and human dignity. The law determines the appropriate programs and controls so that the public and private economic initiative can be addressed and coordinated for social purposes " (Italian Constitution, 1948).

Therefore, it can be noted that the aims and constraints placed on the company by Article 41 of the Constitution of the Italian Republic outline the contours of its social responsibility towards the community. Even in the academic field the concept is not new, even if only in recent years has it been better defined gaining an important role in the economic literature. Peter Drucker, already in the 1940s, argued that companies have a social purpose alongside economic objectives (Drucker, 1939; Drucker, 1942). In this framework, the "virtuous" and necessary interdependence between the multiple social partners, competitive results and profit is evident; in other words, these elements feed each other and are the necessary conditions and, at the same time, a consequence of the others (see Fig 1).

Figure 1. A representation of the links between social, economic and competitive results.



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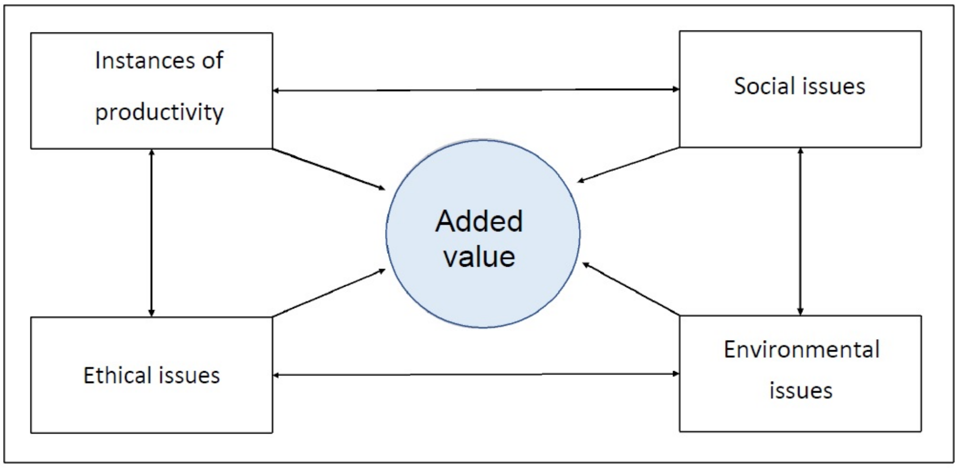
With regard to this, it is important to note that the concept of social interlocutors has also gradually changed, affirming the concept of stakeholders, or "[…] any group or individual that can influence or be influenced by the achievement of the organization's objectives [...] " (Freeman, 1984). They are mainly workers and collaborators, customers, shareholders, suppliers, public bodies, territory (Ackerman, 2008; Pickering, H., Crawford, J., & McLelland, D., 1996).

In other words, it can be summarized that such an enterprise acts with the awareness that the activity carried out:

- ✓ is not aimed solely at profit;
- ✓ must be legitimized by its social utility;
- ✓ must be guided by a transparent business ethic.

Therefore, a sort of circular concept must be established in which the pursuit of economy, social goals and attention to service cannot be considered stand-alone elements, as they find their meaning only if they are married to one another within a dynamic system (Coda, 1988). In this circular conception, economic efficiency - hence the lasting attitude to produce income - is qualified by the fact that it springs from a superior capacity to respond to the expectations of social partners; this, in turn, can represent an element capable of raising the motivational drive, dedication and identification with the company. There is no separation between the economic and the human dimension. Social responsibility therefore requires the continuous commitment of the company to ethical behavior and to contribute to economic development while at the same time improving the quality of life of workers and their families, as well as that of the local community and society in general. Well defined themes and concepts and the basis of the capacity of cooperative enterprises to act over time within the different markets. If then profit is seen in its instrumentality and functionality due to the continuation of the enterprise, the reference to the characteristics of the institutional model of cooperatives appears even more clear and explicit.

Figure 2. Requests to the company.



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To make explicit the "institutional" link between cooperation and CSR it is useful to take inspiration from what is defined by the principles to which these companies must conform in order to be concretely defined as cooperatives. The reference guidelines to guide the functioning of the cooperatives derive directly from the statements of principle established by the "probing pioneers" of Rochdale (Desroche, 1988). Over time these principles have been gradually updated by the International Cooperative Alliance (ICA, 2019) and today these principles define the rules of conduct and the membership criteria for all cooperative enterprises.

The reference principles are seven and describe, albeit roughly, the characteristics of each cooperative in the following way:

- Voluntary and open membership;
- Democratic member control;

- Member economic participation;
- Autonomy and independence;
- Education, training and information;
- Cooperation among Cooperatives;
- Concern for community.

Without going deeper into the analysis of the single principles, it is useful to underline how in the guidelines they appear, alongside addresses able to directly influence the management (limited interest on the capital, distribution of the residuals) others that, while generating effects on the working methods of the cooperative enterprises, lead them to operate giving relevance to particular interests such as those of the community and through systems able to "democratically" involve their members and generate collaborative methods between companies with the same institutional characteristics.

The cooperative principles lead to highlighting what we could call the "pillars" of cooperation, namely:

- Democracy, which is expressed through free membership and economic participation and decision-making by members;

- Mutuality, which leads to offering members economic and extra-economic conditions useful for the satisfaction of their needs;

- The solidarity that is manifested through interventions and initiatives aimed at the community and the reference territory and which are also directed outside the context of direct reference.

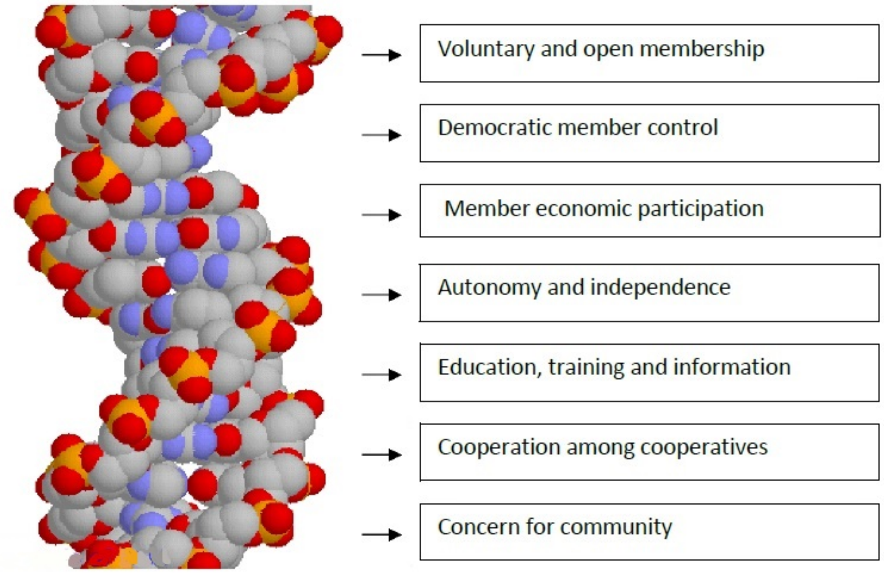
The orientation for the functioning of the cooperatives appears to be in tune with that cited by the guiding principles that lead to the definition of CSR, when for the company are associated with economic and legal obligations also those of an ethical and philanthropic nature (Carroll, Brown & Buchholtz, 1993). In the same way, the cooperative principles legitimately find citizenship with reference to the Stakeholder

Theory where the need is stressed for the company to operate taking care to satisfy the interests of vast categories of subjects whose different expectations converge and are measured with the company operation (Freeman, 1984).

Finally, the link between the reference to the interests towards the community mentioned by the seventh principle and the information reported by the Green Paper of the European Commission when it states that CSR also means "integration on a voluntary basis of social and ecological concerns ..." is evident (European Commission, 2001).

The cooperative principles are presented, on the one hand, as bearers of a business culture that leads the company to operate by paying attention to its own reference environment and the needs of the community, for another aspect they facilitate the application of the recommendations typically linked to theories of stakeholders in terms of attention to the various stakeholders, first and foremost the shareholders, who are placed on an equal footing with each other by virtue of belonging to the company and without any difference in rights linked to patrimonial conditions. In the same way, the references of a solidarity nature found in the cooperative principles open the door to behaviors aimed at satisfying social needs and, even if not explicitly, also ecological or environmental in a broad sense.

Figure 3. The DNA of the cooperative system



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The cooperative principles therefore represent an important cultural and ideological reference base for these companies, also to lead them with determination on the road that is traced by CSR theories, leading to underline how the themes of Corporate Social Responsibility are present in the DNA (fig. 3) of the cooperative enterprises naturally conditioning and directing their operations.

1.1 The relationship between cooperative enterprises and the reference context

Another interesting element that can help interpret the role of cooperation in the economic and social system can be deduced through the study of what we could define the positioning of cooperation in the Italian economic system in the first hundred and fifty years of the history of the cooperative movement.

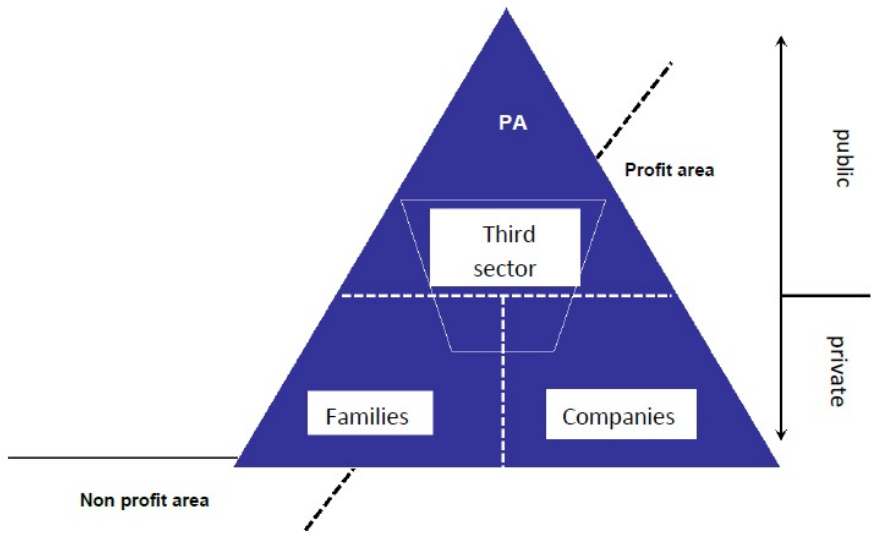
The cooperative system in Italy has developed since the end of the 19th century, satisfying needs in the most diverse sectors of the economy (Degl'Innocenti, 1988; Mazzoleni, 1996; Zamagni, 2005). The space that the cooperative system has occupied over the years has been fueled, first of all, by the ability of these companies to occupy supply spaces effectively through management methods that were able to generate durability even on the economic front, also through the to affirm itself of some "privileges" that the system has been recognized as a function of its own way of operating in the different sectors and to the formalization of its own orientation to the non-profit. At the same time, it should be emphasized that the strategic direction that led the cooperative system to cover important spaces in the offer of products and services stems from a declared desire to occupy spaces in the economic and social system that are connected to the manifestation of needs hardly able to be satisfied through the logics that guide the market approach or the "invisible hand" or by delegating the intervention to the capacity of garrison of the State or its emanations on the territory.

The cooperative movement has confirmed in its action the will to be formed by companies driven by the desire to satisfy the needs that are not adequately answered through the normal supply processes managed by the market or manned according to the institutional directions delegated to the public administration. The "social" mission that the cooperative system has ended up with has seen the privilege of being a subject capable of satisfying poor, marginal or simply unable to support itself according to a classic economic approach, thus ending up affirming a guiding principle of the cooperative system that focuses on the needs of people and aims to satisfy them through "alternative" supply methods that are different from those canonically ascribable to classical economic models.

The willingness to act also in these difficult contexts, the ability to effectively integrate between the market and the public system, has allowed the cooperative system to legitimize itself as an institutional subject able to offer answers even in complex situations that cannot be traced back to established practices, but, at at the same time, it ended up realizing the vocation to "diversity" that the cooperative model has had from the beginning of its history to affirm, translating into daily practice an attention to the general values that have characterized the "responsible" and "social" approach of the cooperative movement.

In retracing the path that led cooperative enterprises to play an important role in the economy and in Italian society, it is possible to recognize the guidelines that have "addressed socially and responsibly" and supported action (Fig. 4).

Figure 4. The economic space manned by cooperatives in Italy



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Proceeding by synthesis we can underline how the beginning of the "history" of the cooperative movement in Italy has seen these companies occupy spaces of offer mainly oriented to satisfy the primary needs of their members. Thus, the first cooperatives began to intervene in the agricultural sector and in the assistance to the people with the first mutual societies, to then begin to intervene in the housing sector and consolidate their legitimacy as an economic actor within the commerce sector with the proliferation of consumer cooperatives. The emergence of the first banking cooperatives (the popular banks and the rural banks) then allowed the cooperative movement to start overseeing the financial sector to generate ways of supporting its members that were able to bypass the stringent market logic then in force (Cesarini, Ferri & Giardino, 1997). The synthetic reconstruction just outlined (certainly not exhaustive in terms of reconstructing the affirmation of cooperative enterprises in the Italian economic and social system), allows us to underline how, in a first phase of its intervention, cooperation has oriented its action, socially and responsibly geared to overseeing interventions not guaranteed by the market, coming to erode a first slice of business-type economic space and, often, going to compare with guided intervention methods regulated by “market” laws and this concerns interventions in the sectors agricultural, real estate, financial and production in a broad sense. At the same time, the social vocation ended up placing cooperation in the conditions of joining, often replacing, families by offering solutions to needs that historically had been manned and satisfied in the family environment. The last years of the last century brought cooperation to consolidate this ability to position itself among the three institutes (public administration, business and family) ending up improving their ability to intervene in the sectors mentioned above (Baglini e Catino, 1999). At the same time, the social evolution and the evolution of needs, associated with a redefinition of the intervention logics of the public administration, also a consequence of a substantial reduction in the spending capacity of the latter, has generated a new scenario in which the cooperation has been able to consolidate his vocation "differently responsible". Families have increasingly lost the ability to meet basic needs such as social needs, from the care and education of young people to the care and attention of older people, from the assistance of people with disabilities to interventions for recovery and reintegration of drug addicts, prisoners and subjects affected by highly incapacitating events. The State and its emanations have reduced its vocation to intervene in the welfare sphere, failing at the same time to satisfy the new demands that the social system was making evident.

Once again, and in an absolutely relevant way, the cooperative movement has been able to represent the answer to a difficult situation on the social front that cannot be governed through the classic solutions institutionally and economically adopted in the past. In practice, cooperation has generated supply capacity both by creating social cooperatives aimed at providing adequate services to meet the needs of those who could not find institutions capable of responding to them, either by creating cooperatives directly aimed at insertion and recovery of people otherwise held at the margin of the economic system (Bandini, 2004). In this way the cooperation, in addition to consolidating its presence in typically market sectors, ended up replacing families in the defense of individual and socially relevant needs, and generated a new way of dealing with welfare issues by acting "instead” of the public administration. It should be emphasized that this consolidation of the role of the cooperative system not only reconfirms a vocation to "responsibility in and for society" allows to underline two other elements that can allow to enhance the coherence of the behaviors of the cooperative system with the guidelines (the DNA) represented by cooperative principles. Being able to create opportunities for collaboration through interventions aimed at achieving vertical and horizontal integration facilitates the positioning on the economic (Mazzoleni, 2006) front for cooperative companies and creates the prerequisites for efficiency that consolidate the market position, but, at the same time, offers innovative solutions also as regards the possibility of generating interventions oriented to the principles of solidarity and mutualism. From this point of view, purely by way of example, the synergies that have been created in the agri-food supply chains that bring the entire process from agricultural production up to commercial distribution through the phases appear to be interesting, among others. of processing and production. The virtuous relationship that has been created between cooperative enterprises and other institutional forms is very interesting and confirms the tendency of the system to operate also through transversal interventions always oriented to satisfy needs otherwise difficult to deal with in purely market logic. Moreover, it is undeniable that this kind of initiative has ended up determining a socially important presence of the cooperative system that now operates as a leading actor in the provision of welfare interventions, arriving in some sectors to almost completely replace the role once played by the State and its emanations.

Box: The cooperatives principles defined by the International Co-operatives Alliance

In 1995, the ICA adopted the revised Statement on the Cooperative Identity which contains the definition of a cooperative, the values of cooperatives, and the seven cooperative principles as described below. You can also consult the Guidance Notes on the Cooperative Principles and Values which give detailed guidance and advice on the practical application of the Principles to the cooperative enterprises.

Cooperative Principles

The cooperative principles are guidelines by which cooperatives put their values into practice.

1. Voluntary and Open Membership
Cooperatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2. Democratic Member Control
Cooperatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives members have equal voting rights (one member, one vote) and cooperatives at other levels are also organised in a democratic manner.

3. Member Economic Participation
Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their cooperative, possibly by setting

up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

4. Autonomy and Independence
Cooperatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

5. Education, Training, and Information
Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6. Cooperation among Cooperatives
Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

7. Concern for Community
Cooperatives work for the sustainable development of their communities through policies approved by their members.

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Second part: Cooperatives and profit

2. Profit and corporate social responsibility *(Mario Mazzoleni)*

The socially responsible company is characterized by the application of logics, practices and tools aimed at satisfying the needs and demands of different stakeholders (Mazzoleni, 2006). What role, or should it assume, in these companies the creation of economic value and, therefore, profit? Does it represent a finality or a means that acts as a driving force for the achievement of the most varied and multiple objectives of a company?

The risk involved in this historical phase is that of falling into the pendulum trap, while it must remain evident that a socially responsible company must include, among its priority objectives, the creation of economic value that allows it to activate a virtuous circle. with the practices of social responsibility in order to create the best conditions to last over time.

Starting from a brief excursus on the evolution of the concept of business finalism, the dual approach to company profitability (short and long term) and the consequences that it can generate will be highlighted. An instrumental approach to profit, in fact, becomes a driving force not only for an increase in competitiveness (a direct consequence) but also for an improvement in the social goals that the company, as an institution, must try to achieve. This logical path leads to underline the importance of contextual achieving of economic and social goals that characterize companies that act according to this logic as "excellent".

After having exposed the peculiarities of companies that can be defined as excellent, we move on to a reflection of the relationship between profit and corporate social responsibility, strategic logic once considered distant, if not, and of which today, instead, the character of interaction and complementarity to achieve the fundamental purpose for each company order: durability.

2.1 Profit purposefulness is a dynamic concept

The result currently achieved by the mere diffusion of the concept of social responsibility leads to the awareness of the relevance of social responsibility practices and, therefore, on what the aims of business are (fasan & Bianci, 2017).

The business finalism has been a strongly debated topic among scholars over time, which have broadened the field of investigation by not relegating it to the economic sphere (Masini, 1979) alone since the company, as an economic-social institution, has various values and objectives and composites as well as operating conditions that determine their logic, strategies and results.

The business finalism has been a strongly debated topic among scholars over time, which have broadened the field of investigation by not relegating it to the economic sphere alone since the company, as an economic-social institution, has various values and objectives and composites as well as operating conditions that determine their logic, strategies and results. The company, as an economic order of the institution, is a complex reality that is created so that, over time, the aims of the institution of which it is an expression and consequence can be satisfied. When, in fact, a group of people is associated creating rules and structures of behavior that are relatively stable over time (Airoldi, Brunetti & Coda, 2010) - behavior inherent in the very nature of the person - then an institution takes shape whose purpose is precisely to satisfy the needs of the people who compose it. Strong evidence, especially for families, non-profit institutions and institutions of public administration, is the intergenerational character that distinguishes this social structure that has its own value and its purpose regardless of the people who are part of it at any given time. Some peculiarities of the institute, such as, for example, durability, autonomy, unity or dynamism are therefore naturally attributable also to the company which is the systematic instrument of expression of economic activity.

This logical passage allows us to better understand the essentiality of some characteristics of the company of which in doctrine it is possible to find numerous definitions that highlight and focus on particular aspects of the same phenomenon and, in this sense, all the definitions should be considered in a complementary (Ferrero, 1968) way given the multidimensionality of the object of study.
For reasons of conciseness, and because a deepening of these questions would be beyond the scope of this paper, it is possible to refer to the Ardemani (1968) classification which distinguished, in the economic-business history, the different business concepts referring to the "center" that can be identified in it.
Thus we have passed from the thinking of the nineteenth century that "reduced" the enterprise to a center of juridical relationships, to the concept of center of factors in the early years of the last century where the heritage was considered an essential element, becoming

the main object of study. Subsequently, and until the First World War, the company was seen as a center of economic operations: they lose the character of family businesses and take the form of a joint-stock company, thus marking the development of large industrial companies.
Eventually, from the second post war period we have witnessed a series of changes (economic, but also social) that have led to the redefinition of the concept of enterprise, which has thus come to identify itself as a center of interests, and, we add, center of relations - given its open system character - since it is the central issue of the company it is precisely the achievement of the "common good" that cannot be separated from the reconciliation of the needs of all those who interact with it. Masini (1979) is the main exponent of this current of thought. In fact, he affirmed the error of those who identified an opposition between work and capital, since they did not recognize in the company the existence of thrusts capable of bringing both the satisfaction of the needs of the workers and those of the capital bearers (Mazzoleni, 2003). His was a revolutionary contribution because for the first time, in fact, it was declared that profit as an end in itself could not represent the ultimate goal of the company (Masini, 1979).

Masini introduced a new concept for the time: profit cannot represent the sole business purpose and the interests to be satisfied cannot be reduced to those of the shareholders, but the satisfaction of the company becomes fundamental, for the very survival of the company. also of the requests of the workers who were thus identified as having institutional interests. As an instrument of an institute (the company) the company becomes functional to the achievement of different aims and to the pursuit of objectives of numerous classes of stakeholders: this approach completely changed the concept of enterprise finalism, which from then on assumed the characteristic of multidimensionality and is the theoretical basis on which the very concept of social responsibility is based.

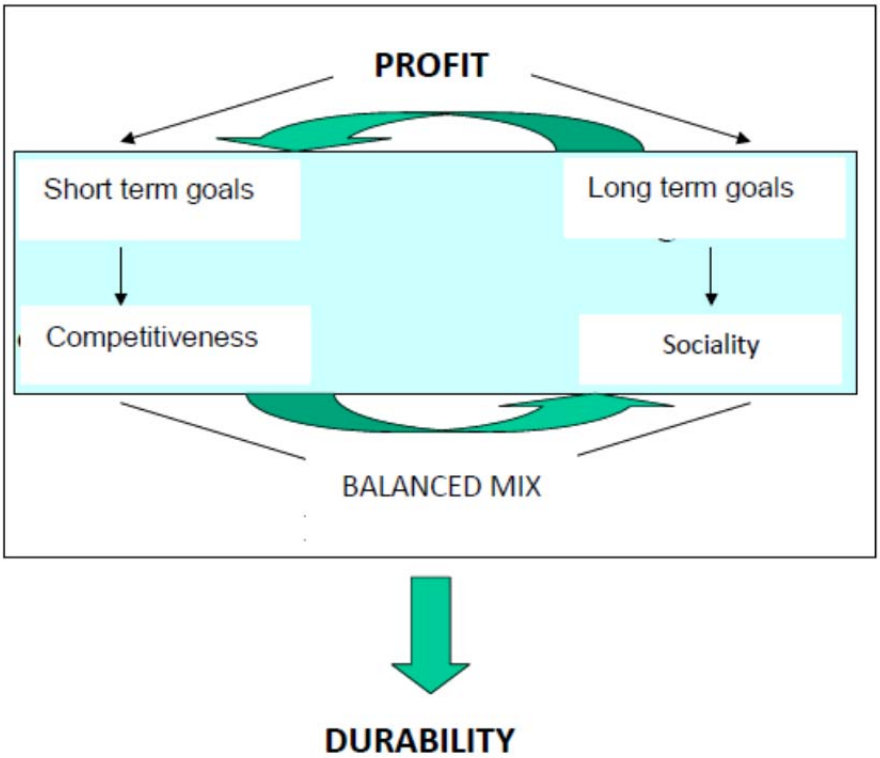
2.2 The double impact of profit

The achievement of profit, therefore, must not in itself represent an ultimate aim, but the instrument - necessary but not sufficient - so that companies can last over time. Profit is therefore a fundamental condition for achieving cost-effectiveness, which allows the company to be autonomous and therefore to continue over time to meet the needs for which it was created.
However, as just mentioned, it is not sufficient because, as theorized by Coda, if it is true that the company must satisfy the needs connected to the function of use of its products or services, it must also be able to respond to the requests. of their own social partners, thus combining market needs and social expectations (Coda, 1988).
It is evident that the economic and social aspects cannot be dissociated from one another and, from this point of view, a company that fails to produce a substantial profitability undermines its capacity to respond to social expectations: the economic role therefore, it has a very important social value (Manetti, 2006). The classic goals of the company such as the ability to last over time, to be autonomous to develop and generate value for the future, to ensure an economic and financial balance are the indispensable prerequisites for the company to be able to fully respond to the demands of character that represent an integral and determinant part of its aims.

By narrowing the field of analysis, it can therefore be said that the pursuit of profit takes on a value that is more dense in meaning than in the past and the achievement of a positive economic result becomes not a point of arrival of the company management as it satisfies the requests and expectations of a part of stakeholders, but it is a necessary tool to comply with a series of requests linked indirectly to the attainment of profit.

From this point of view, the achievement of a substantial profitability is not diminished but, on the contrary, assumes a fundamental social relevance. It is useful to separate the objective of profit into two sub-objectives - short and long term - that have different meanings and meanings.

Figure 5. Profit as a tool for durability



Author's own work.

Objectives of short-term profitability can be assessed by estimating the competitive position that the company covers on the market in which it operates: a good short-term performance improves the company's positioning. On the other hand, long-term profitability objectives often have positive social repercussions since it is preferable to limit profitability in the short term to maintain, for example, good levels of social relations within the company. It is the case of companies that sacrifice short-term profitability to safeguard, for example, employment or to invest in tools for improving corporate governance.

This approach has two orders of consequences.

A very interesting front from this point of view is the one that leads to deepening the theme of the "destination of the generated profit". The ability to generate profit is, in fact, emphasized when it is strategically highlighted how the accumulation of additional resources becomes a critical and essential element for development / innovation of absolute strategic importance when its achievement represents a pillar on which company can support both its own direct capacity for growth (self-financing) and the possibility of more easily obtaining additional resources from the market or access to financial instruments of different nature. From this point of view, the cooperative represents a clear example of finalizing the development of its own profit, because by its very nature (institutional) it is formally destined to the provision (indistinguishable) or addressed to support the business as a support to the management or, from a strictly consolidation / growth perspective, supporting investment policies.

From a purely economic point of view, the company must be able to implement policies to balance the two sub-goals of profit since the sacrifice of one area over another would lead to situations of crisis and imbalance towards one or the other objective with negative influences on the ultimate purpose of the company - durability - since both extreme situations would give rise to pathologically problematic companies.

From the point of view of the business aims, the virtuous circle that is created between short-term profitability - and therefore a solid competitive position - and the company's ability to satisfy the social needs present within it determine a fundamental but instrumental reading of the profit compared to long-term goals: not the ultimate goal, but a means to be leveraged for the survival of the company.

2.3 The synthesis of a correct corporate purpose

Different types of companies have predicted, over time, short-term logics rather than long or reverse facing, consequently, the criticalities that inevitably derive from this choice.

While on the one hand it is possible to recognize for-profit companies with a strong focus on a short-term logic, on the other there are many companies - above all not for profit (Bush, 1992) (and it is, for example, the case of cooperative companies) - which have always favored a long-term logic, omitting, often recklessly, the achievement of good income performance, thus undermining the ability to continue to carry out its business and to achieve the mutual goals that characterize it.

The current trend is that of the logic of communicating vessels: for-profit companies today review their strategies and implement a series of actions that enhance the social sphere, contributing to the satisfaction of numerous stakeholders in addition to the bearers of capital, while companies do not for profit are catching up from the point of view of management according to a business logic.

The concept of excellence sums up the above. It can be defined as the company's ability to pursue economic and social goals simultaneously, in which a positive mix of economic-financial and participatory-social results ensure the company achieves results that are consistent with the desire to last over time, satisfying the expectations of all stakeholders (Mazzoleni, 2003).
The dimensions to investigate to assess the excellence of a company, the economic and the social, are therefore complementary and interacting.
The economic aspect refers to the complex of management operations that the company carries out according to its own strategies and which are manifested through exchanges on different markets. The result of these transactions are the economic and financial flows that, when properly detected and represented, allow to determine not only the operating result but also the knowledge of the value of the company itself.
The social dimension, on the contrary, regards the complex of interactions and relationships that the company maintains with its social partners. These are often relationships that do not give rise to real market exchanges in the traditional sense. From the company's point of view, they are essentially aimed at obtaining consensus and social legitimacy, vice-versa, the stakeholders aim to satisfy their needs and expectations that arise from interaction (direct or indirect) with the company.

2.4 Social responsibility: a consequence of profit?

What are the tools that the company can adopt to be able to fulfill its social goals? The term most in vogue today and which summarizes, even if not exhaustively, such logics and practices is that of corporate social responsibility (CSR).

If the definition of this concept is still in the process of evolution, what we are interested in stressing here is that the assumption of responsibility, which leads to the achievement of social goals, is not a novelty of our times, but at various times and with different events in one type of company rather than in others, it accompanied the activity of the companies during their evolution.

Certainly today CSR practices have taken on a strategic value since the assumption, which becomes increasingly decisive in order to achieve economic goals, is that the company is legitimized from a social point of view. A socially responsible company must have as its priority objective the attainment of good economic-financial performance since it is the fuel that feeds the car-company allowing it to continue its journey.

Here it is emphasized that profit can be interpreted as an indicator of social responsibility. This statement is perhaps a bit provocative, but it is worth investigating this concept. What scholars today try to demonstrate through empirical research is how the strategies of social responsibility impact on the operating result; we try to measure, that is, how much value CSR policies create. What happens if you spill the binoculars? Is there a link that leads to affirming that even profit generates CSR and not only vice-versa?

We believe that what has been said above with regards to corporate finalism and excellence can represent the starting point for such a reflection. Sacrificing social goals and focusing solely on short-term profitability delegates companies as well as causing negative effects on long-term profitability, which can only be achieved by intervening in favor of all the demands that stakeholders determine. Profit generates social responsibility and is an indicator of it because if the

company succeeds in lasting in a balanced way over time, resolving the conflicts between the different stakeholders, legitimizing itself from the social point of view and causing positive effects on the community in which it operates, manages to contain a series of costs that the conflict determines, to put in place mechanisms to improve corporate performance such as participation, to comply with both its economic and social vocations (Freeman, 1984, Giacomini, Chiaf, Mazzoleni, 2016).
Profit and CSR thus emerge as a virtuous circle that feeds on itself.

Figure 6. The virtuous circle profit-CSR

Author's own work.

An example of companies able to act according to this double guideline giving life to situations of real application of the model of excellence is given, for example, by housing cooperatives. These companies have succeeded in bringing together social and economic objectives while generating profit - a synthesis of good economic and financial management - and social value. Many cooperatives, founded at the beginning of the last century, have managed to operate according to this dual logic and, to support the thesis of durability for companies that respect the double dimension - economic and social - are still active and stand out for their excellent economic results and for particular merits of creating social value. If it is true that the value fabric in which cooperation has its roots and the corporate governance mechanisms (Mazzoleni, 1996) have allowed these types of companies to distinguish themselves from the social point of view, it is also true that they have been able to create and managing positive business results by responding to both instances that pertain to companies. From a purely economic point of view, they present themselves as companies with solid net assets, a case that represents a real strength in a sector, such as the cooperative, characterized by a pathologically undersized value of the net assets. This advantage has been achieved since, over time, the cooperatives in question have been able to accumulate value - punctually reinvested to protect the strong character of intergenerationality that sets them apart - giving rise to good economic and financial performance.

This value proves to be decisive for achieving the mutual-social aims inherent in this type of company. The housing cooperatives have been able to cope with the need "home" combining also the ability to take on social needs that belong to the housing and that, if disregarded - an approach unfortunately often adopted by the public operator - can give life to situations of ghettoization giving rise to real social emergencies.

Companies (both profit and non-for-profit), today therefore have the opportunity to recalibrate their strategies and to approach practices, those of CSR, which until now have sometimes been snubbed and sometimes underestimated, sometimes used again according to incorrect logic, resulting by fads or suggested by marketing gurus (Stiglitz, 2017).

Corporate social responsibility is a philosophy that permeates all corporate choices, which shapes mechanisms, strategies and company policies around the idea that the creation of value, economic and social, passes through the response of the requests of a multitude of stakeholders. The concept of Corporate Social Responsibility cannot therefore be limited to a managerial theory, nor to a marketing or public relations tool. It goes far beyond this and completely permeates the company: it involves customers and workers, regards managerial values and style, concerns the strategy, practices and methods of governance and, finally, influences the results (Mazzoleni, 2005). The CSR tools, therefore, if not applied in a contingent manner but integrated in a correct strategic and economic management of the company, have the ability to improve company performance. This aspect, as shown in Figure 5, recreates the conditions for investing in CSR tools and for complying with the requests of all stakeholders who, especially in recent times, have shown that they can greatly influence - sometimes determining - corporate policies.

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3. Cooperatives and economic balance *(Mario Mazzoleni, Davide Giacomini, Diego Paredi)*

3.1 Peculiarities of the financial statement of Italian cooperatives

The economic and employment relevance of the cooperative system in Italy cannot be overshadowed. In our country, according to data from the "Report on Cooperatives" drawn up in 2019 by the ISTAT-Euricse (Italian Statistic Agency - European Research Institute on Cooperative and Social Enterprises t/n) in 2015, the Italian cooperative societies found to be active amounted to 59,027, this corresponds to 1.3% of the companies which are active in the national territory.

Cooperative companies gave employment to 7.1% of the total employment ensured by enterprises.

Furthermore, these cooperatives, net of those in the financial and insurance sector, generated an added value of 28.6 billion euros, equal to 4.0% of the total added value of the companies (excluding credit and insurance companies) (ISTAT, 2019).

Expanding the look on the whole world, the impact of the cooperation appears even clearer (ICA, 2019):

- more than 12% of humanity is part of the 3 million cooperatives in the world;
- the Top 300 cooperatives and mutuals report at total turnover of 2.1 trillion USD, according to the World Co-operative Monitor (2017).

- Cooperatives contribute to sustainable economic growth and stable quality employment, employing 280 million people across the globe, in other words, 10% of the worlds employed population.

From the corporate point of view, the cooperative company is most likely one of the most complex types of companies in the current regulatory landscape. It is characterized by specific objectives that go hand in hand with those of for-profit companies, and yet don't replace them.

The pursuit of economic results and consistent patrimonial and financial balances are in fact fundamental objectives, however they are preparatory to the achievement of the main purpose of the cooperative: the mutuality or in the case of social cooperatives, the achievement of social goals (Giacomini, Chiaf & Mazzoleni, 2016).

Through the reform of company law (Legislative Decree 6/2003), the Italian legislator has modified the regulation for cooperative societies in order to guarantee the achievement of the "mutual purpose" and of the "social function" (Congiu, 2005). The legislator could not therefore disregard the provisions of Article 45 of the Italian Constitution, which recognizes a precise "social function" for the cooperative world. Today, indeed, when we talk about "constitutionally recognized cooperatives" we refer to the so-called "prevalently mutual cooperatives".

The difference between “prevalent mutual” and “non-prevalent mutual” cooperatives is set out by a statutory option that is implemented with the introduction of some non-derogable clauses, in order to protect the “non-profitability” character of the subject.

Beyond the statutory clauses, it is necessary to respect a further management and operating option: the mutual activity must be prevalent and must be well documented by the directors in the notes to the financial statements.

The cooperatives that want to obtain the "status" of constitutionally recognized cooperative and be entitled to gain certain benefits must also carry out two advertising fulfilments:

- they need to register in a special section of the Register of Cooperative Companies;
- they need to annually communicate the financial statements information in order to prove that the possession of the prevalence requirement is maintained.

As mentioned above, the prevalent mutual cooperatives must include certain clauses in their social statutes (art. 2514 Italian Civil Code). These clauses are called "mutualistic clauses" and can be summarized as follows:

- prohibition of distributing dividends to a greater extent than the maximum interest on postal savings bonds, increased by two and a half points compared to the capital actually paid;
- prohibition of remunerating the financial instruments offered to cooperative members, to an extent not exceeding two points with respect to the maximum limit set for dividends;
- prohibition of distributing reserves among cooperative members;
- duty of devolution, in case of dissolution of the cooperative company, of the entire company assets, only detracting the share capital and any dividends accrued, to mutualistic funds for the promotion and development of cooperation.

In addition to the statutory requirement, it is fundamental to respect the condition of mutuality "prevalence”. For example, in “user cooperatives”, prevalence will be achieved when revenues from goods sales and from services supply to members will exceed 50% of the total revenues and services indicated in the financial statements. This is an objective requirement which must be communicated annually and inferred from the notes to the financial statements. The condition of prevalence is ruled by articles 2512 and 2513 of the Italian Civil Code, which respectively refer to the sphere of mutual exchange and to the "quantitative" criteria to verify the presence of the "prevalence" of mutuality.

The need to adequately report the pursuit of the mutualistic purpose implicates specific information duties on the economic-financial front. The cooperative is therefore required to structure a complex system of communication with its stakeholders: the financial statements represent the main tool for these purposes.

As a matter of fact, cooperative societies must draw up the financial statements in compliance with the principles laid down for corporations, but considering the different and substantial objectives. The balance sheet of a cooperative company must first of all be able to faithfully represent its capital, economical and financial position, as well as for other companies (Belbello & Dili, 2010).

Furthermore, in the financial statements of these companies, it is necessary to indicate additional specific information, especially with regard to the distinction between the values obtained depending on mutualistic and non-mutual exchange relationships, to the compulsory and optional internal and external mutualistic destination.

Lastly, the financial statements must show the values relating to the accumulation and growth of the indivisible and unavailable assets.
In the management report or, if not issued, in the supplementary note, the directors must indicate the mutualistic nature of the cooperative and the association policies pursued by the company, paying particular attention to the admission procedure of the members and to the "open" nature of the cooperative. It should also be noted that the Italian Civil Code (article 2545) provides for cooperatives the obligation to draw up the "Annual report on the mutualistic nature of the cooperative". In other words, both the directors and the auditors must indicate in their reports, even in an extremely brief but necessarily exhaustive way, the activity carried out by the cooperative during the financial year, with reference to the achievement of the mutual exchange, identifying and indicating deeds, developments and evolution of the exchange activity, highlighting the benefits actually assigned to the shareholders.
To sum up, beyond the general contents, the financial statements of cooperative companies must specifically contain the following:
a) if the type of shareholders is varied, the detailed "composition of the share capital";
b) the criteria applied in the "social management" for the achievement of the relationships concerning the "mutual exchange", (article 2545 of the Italian Civil Code);
c) the success or failure to comply with the necessary criteria to define the mutualistic "prevalence" (article 2513 of the Italian Civil Code);
d) the reasons for the decisions taken, with particular regard to the "admission of new members" (article 2528 of the Italian Civil Code);
e) the amount of "social loans" and the related remuneration;

f) the way “rebates” are grown and assigned (article 2545-sexies of the Italian Civil Code);
g) the "developed relationships" with the various categories of shareholders during the financial year, with particular reference to the category of cooperative members and financing members;
h) the "economic and financial relationships" maintained with the cooperative system, including those maintained with other cooperatives and consortia, and indicating the costs incurred and the income earned.

As mentioned in point f), a characteristic of cooperative societies is the tool of rebates. Rebates are one of the mechanisms to ensure to shareholders the mutualistic advantage resulting from the exchange relations maintained with the cooperative. Annually, with the financial statements, the directors must report the methods of rebates’ growth and assignment that the partner matures in proportion to the quality and quantity of the mutual exchange.
Therefore, unlike dividends, rebates do not constitute a return on capital and have no connection with the value of the capital paid by the members to the cooperative. Rebates are achieved by referring to the mutual purpose pursued in the different cooperatives. In work cooperatives, rebates are achieved in proportion to the amount of work performed; in consumption cooperatives, rebates are achieved on the basis of the purchases made or of the quantity and value of the conferred goods.

From the fiscal perspective, the willingness to jointly manage a company by re-using the profits in the company itself in order to provide the members with work, consumer goods, or services, with better conditions than those they would get from the free market, is partly rewarded by the legislator, who provided a range of facilitations.

First of all, it is foreseen that the amounts allocated to reserves (legal, extraordinary, statutory... reserve) from the cooperative companies, will be excluded from the taxable income, on condition that the possibility of distributing them among the shareholders both during the life of the company and at the time of its dissolution is excluded.

However, a share remains subject to taxation: this share is equal to 10% of the annual net profits that are destined to the minimum reserve, which according to the Italian civil code is equal to 30% of the annual net profit.

With particular reference to prevalent mutual cooperatives, the legislator, according to the pursued aim, has established a diversified profits taxation. For example, for agricultural cooperatives, 20% of net profits are subject to taxation, for consumer cooperatives it is the 65%, while in other prevalent mutual cooperatives only 40% of net profits are subject to taxation.

Even more rewarding is the tax regime of social cooperatives, for these companies, also the recent legislation on social enterprises provided for the total non-taxability for direct tax purposes of the profits allocated for indivisible reserves and the free increase in share capital.

The listing of the characteristics of the tax regime of cooperatives can lead to the mistaken belief that they enjoy an unjustified privilege. Assuming the analysis of the total and effective tax burden on the various types of companies, it was shown above all that the cooperatives do not actually enjoy any privileges and are subject to a higher tax burden than that of joint stock companies collective are often presented as the most oppressed by the tax authorities. It also shows that this depends not so much on the differences in the rates applied but on the different model of distribution of the added value to the factors used in the production. The fact that, given the same value produced, the cooperatives distribute a larger share of joint-stock companies at work, more than compensating for a lower tax burden on company income (Fontanari & Borzaga, 2018).

3.2 The financial statement as a tool of communication involvement in cooperative enterprises

The financial statement topic is suitable for various possible approaches (for cooperatives also) and requires a great attention as there are some peculiarities in the cooperative system which makes it an extremely delicate subject, with potential.

For this reason, the argument must first be defined by clarifying some elements of "boundary" that then allow to concentrate on the potential of the financial statement system for participatory companies.

A first defining aspect concerns the instrument as such, which is not governed autonomously for these type of businesses, since it must refer to the same articles that regulate private companies.

Therefore, the normative references remain the following:

- Article 2423 - Drafting of the financial statement;
- Article 2423-bis - Principles for drawing up the financial statement;
- Article 2423-ter - Balance Sheet and Income Statement Structure;
- Article 2424 - Content of the Balance Sheet;

- Article 2424- bis - Provisions relating to individual balance sheet items;
- Article 2425 - Content of the Income Statement;
- Article 2425-bis - Recording of revenues, income, costs and charges;
- Art. 2426 - Evaluation criteria;
- Article 2427 - Content of the Notes to the Financial Statements;
- Article 2427-bis - Information relating to the fair value of financial instruments.

As mentioned before, in consideration of the peculiarity of the cooperative company, however, additional information is required to be provided in the financial statements and in the explanatory notes

- report on operations;
- report of the auditors.

Having made this normative reference, it is necessary to highlight two further aspects that characterize the cooperative reality. The first aspect is once again linked to the norm that has generated two different types of cooperatives (to which it has linked certain specificities also in terms of detection that condition the communicative potential and limit the participatory ones). In fact, with the reform alongside the "classic" cooperatives, the so-called "prevalent Mutuality" cooperatives have been set up which, according to article 2511 of the civil code, are "weighted" companies with variable capital for "mutual benefit" according to the "quantity" of mutuality present in their work, in favor of the shareholders. Thus the art. 2512 of the Civil Code states that they are considered prevalent mutuality cooperatives, based on the type of mutual exchange, those that:

- carry out their prevalent activity in favor of members, consumers or users of goods or services;
- predominantly make use of the work of members in the performance of their activities;
- mainly make use of the contributions of goods or services by the shareholders, in carrying out their activities.

These cooperatives therefore see their institutional tasks defined in terms of formal relations with the stakeholders (in particular the shareholders) in relation to their "partial" involvement.
The second aspect is typical of these companies and influences / determines the potential of the financial statement systems on the communication / participation front. We are referring to the fact that when we talk about cooperatives we refer to a complex universe of companies both in terms of the sectors in which they operate and in terms of the ways in which the various stakeholders are involved. In essence, to conclude this premise, the difference between using a financial statement to involve hundreds of thousands of members of a consumer cooperative or the workers who are members and non-members of a production work or, again, between the potential of a financial statement as a communication tool in the territories of reference for a social cooperative or those linked to the development of relationships with its own network of customers / suppliers of a service cooperative or, finally, it is clear that the same instrument performs differently from the sub-objectives to which we refer in this article, if referring to small cooperatives with strong social participation or large cooperatives with a corporate dispersion.
Having this said, what are the potentialities of the financial statement system on the participatory and communicative front for the

cooperatives (and for the companies that seize the strategic and management flow that is independent of the company form)? The first potential derives from the concept of "financial statement system". For cooperatives it is clear that the classic financial reporting tools are associated with non-formal ones (forecasting plans, financial statements and management control) to guarantee a systematic information process involving stakeholders. At the same time, from the point of view of the "survey system" the social balance sheet (which is a mandatory tool for some cooperatives and for others "strongly recommended") or the sustainability report (integrated or not) represent another "source" of communication and of strong participatory potential.

The financial statement system, therefore, determines the possibility of identifying more formal moments of contact with its own members and with all the stakeholders that the individual types of cooperatives identify as relevant in their strategic option. Communicating management objectives, their subdivision by areas / sectors of intervention or responsibility appears as a great opportunity to share them and in particular all this becomes even more relevant when the formation of objectives is born by exploiting the processes of involvement of members and stakeholders. At the same time, supporting the production or delivery process by identifying formal update moments on the results obtained (and based on the need to redirect the path) represents another important moment of great involvement. Finally, the reporting phase that culminates with the formal approval of the financial statement (or financial statements if the strategic and managerial value of the social report is recognized) represents another fundamental moment to transform what is often a formal "ritual" of involvement for members and other stakeholders.

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Third part: The new challenges for the cooperative system

The history of the cooperative system shows how the strength of these companies is based on the contemporary control of responsible-social-economic demands that today can be prospectively in:

- consolidation of the system of network relations and affirmation of one cooperative network;
- affiliation;
- strengthening of the “cooperative financial” system;
- know-how: training and sharing of database and of informatics platform.

This approach could be developed both locally and through one system of local and supranational solidity/mutuality, facilitating the solidarity and mutual aid action. This approach represents a model of globalization different from that mostly widespread at the market level, as it exceeds the local and national barriers taking into account the diversities and the situation of every single country where it stands to operate.

Necessary condition for the system to implement one strategic plan of growth is having a clear awareness of the inherent competitive advantage while being a cooperative, which also means paying attention:

- to the relapses that one's action has on the community;
- to the quality of the given products and/or services;
- to the ethicality of the action;
- to the sustainable development.

The value, organizational and economic advantages deriving from being one cooperative, represent adequate instruments to response to the new emerging demands that also derive from the welfare crisis, strengthening in this way the cooperative system's vocation of intervening effectively in the socially relevant areas (Thomas, 2004).

Entering essentially in the four areas of development of the cooperative system, it could be noticed how the different experiences in various national contexts confirm the importance of network in creating best conditions to develop economic activities, regive impulse to areas in decline and protect the productive sectors already consolidated.

Therefore, the network takes shape as one competitive advantage, contributing to increasing the system's efficiency as a whole with relapses on every member (Menzani & Zamagni, 2010).

The constitution of one network at different levels might allow therefore to intensify the relation of strict complementarily between outside opening and local rooting that might be transmuted in concrete advantages like the costs' reduction and consequent margins' increase.

In this logic, the following integration relations are developed:

- technological;
- productive between enterprises;
- between services and industry;
- spread of know-how;
- financial between enterprises;
- social-cultural;
- institutional;
- territorial on interregional and international scale.

It is undoubted that the cooperative formula is already universally recognized as instrument of social and economic growth. This peculiarity is a fundamental and essential element of the cooperative model (Mazzoleni, 1996).

Passing to the second prospective of development in the entrepreneurial reality, it is defined affiliation the process that connects two enterprises for reaching common development. This activity is usually extrinsic in one kind of “adoption” by one solid and advanced organization of another bad one from the point of view which is not only financial, but also, and sometimes above all, managerial and technical. In the specific case of the cooperation, we would see the affiliation, by "strong" cooperatives, of "weak" or start-up realities.

There could be various methods of offering support, even if it is possible to track back some relations like:

- economic-financial support;
- transfer of (managerial and technical) know-how;
- start of partnership;
- training.

The practise of affiliation has involved almost exclusively spontaneous processes between different realities; often confined only to bilateral relationship, without being codified and used as a reference so that other initiatives of this kind could be replicated.

The widespread adoption of this system might create one added value especially in the transfer of know-how and experience, creating and strengthening relations of partnership. The affiliation belongs to the CSR policies, because the “strong” enterprise protects the weak ones thanks to its knowledge of the market, to the relations already established and to the possibility of agreeing favourable conditions with external shareholders. The possibility of using such intangible resources in favour of the development of one new cooperative reality is without doubt one strong signal of solidarity in the system. If you also think that the new enterprise will respect in turn the values of mutuality, democracy, solidarity and participation, it follows that the affiliation creates one virtuous circle on the basis of one sustainable development leaning on strong and shared values.

Passing to the reinforcement of one financial system shared, it should be underlined that the project of giving life to one cooperative financial system which is capable of satisfying the needs of the big and small enterprises, has been felt since 1922, year of foundation of ICBA (International Co-operative Banking Association), but still fails to find adequate methodological and practical supports.

Today the cooperative system needs one reinforcement, if not really one reorganization of this structure capable of contributing efficiently to developing the cooperative system, particularly in the countries with low and middle incoming, for contributing to the capacity of take actions aimed at the subsidiarity and participation in specific strategies.

This could happen through the introduction of two specific instruments:

- the creation of one real worldwide financial network that reunite the different cooperative banks;
- the constitution of funds of cooperative development.

Next to this topic stands the question of investments socially responsible sustained and promoted by the banks of cooperative credit, example of innovative realities in the financial initiatives ethically and socially responsible, strong of one over-a-century-old tradition of consistency between the efficient use of financial resource and the social goal of promotion of small and smallest enterprises.

Passing to the latter of the growing situations indicated, it seems increasingly obvious that in our globalized society, the need of knowledge becomes one requirement for all the companies, even for avoiding that it was realized the trend to make its own privilege held by few generating effects perverted in the market and in the competitive methods which characterize its development. This means the need to work on two different but interrelated plans: the training and the sharing of data and information.

The training has always represented one of the priorities of cooperative companies: the real richness of the movement lies in the shareholders, in their capacity of interacting with the reality that surrounds themselves dealing adequately with their tasks/responsibilities. Consequently, this “managing philosophy” has pervaded the cooperative enterprises, leading them to invest well in training, thus involving even the workers (and often opening the training processes’ door that include even suppliers and clients).

As what is said, it might be necessary activate training projects, which could even be transnational and facilitate the transfer and consolidation of experiences from one nation to another, the experiences of e-learning, the stipulation of agreements with the main worldwide Business Schools for having the know-how which is always updated thanks to the help and collaboration of the University Institutes. From another point of view, it might be desirable and by now easily feasible the birth of one digital database that could become one flywheel for optimizing the potential synergies between the cooperatives that might be capable of obtaining more information regarding the markets, obtained results, management, best practises, availability and method of using financial resources.

This strategy should also be inserted in the most wide context of the imperative of sustainable development, which tackles the needs to satisfy without compromising the possibilities of future generations to provide to their own needs. In this sense, the widespread of information and knowledge about the cooperation becomes a fundamental pillar for the creation of one system oriented to the widespread of good practices and sharing of experiences.

4. Rethinking the potential of the territories *(Mario Mazzoleni)*

The start of the third millennium has been characterized, from the social and economic point of view, by almost extreme debates in which we discuss on how to organize the life of people for guaranteeing one increasing level of welfare to all through one growth considered natural and unstoppable. We discussed the growth and celebrated the absolute power of consume as lever for realizing the new "paradise on earth".

Naturally, the dominating ideas have found some resistance to fully assert (and really all felt among those rewarded by the new model) and even in the periods of greater optimism on the future of humanity, the debate on the actual birth of the new era has remained open, bringing some element of criticism to this vision.

The criticism, although not supported by the majority of the economists (and by great part of the politics), has allowed to keep alive some ideas and many experiences "different" from the dominating thought and, with the crisis that has begun to hit and the consequent end of the illusion of continuous growth without break, has offered cues capable of proposing new and different perspectives (Latouche, 2005).

Among the most successful topics, not only between the economists, one has particularly warmed the hearts even of scholars and professionals of other sectors. It was the comparison between who thought about one equal growth in every part of the world able to reduce the inequalities increasingly dramatic in the globe (Atkinson, 2015), satisfy the needs that become identical at every latitude of the planet(the so-called phenomenon of globalization) and who tried to protect the diversities, the localisms, the values and the histories of single territories.

It is undeniable that, for the first decade of our century, the weight scale has been decisively oriented by part of the "globalizers" that have lead to affirm the uniformity both in the behaviours (from what one brought to the table to how one dressed, from the forms of cars to those of houses, from the musical offer to the artistic one in general) and in the ideas (where it seems difficult finding real differences between ideas once opposed), in order to generate the hypothesis of one irreversible trend oriented to disavow different values and, consequently, to push people, enterprises and even territories to rethink its own actions according to the logics capable of leading to the uniformity.

For the truth both at logical level and in many areas of doing, some form of active "resistance" has been established even in that phase, especially where it has been realized approaches of "global" type in which the neologism born from the "dichotomy" that brings out one new dimension in which the globalization and localization are founded in one complex set where the two parts are not excluded mutually, but integrated and completed, cause the local constitutes one widest part of the globe, led to realize one relation between what pushed to globalize and what is deemed able/obliged to save the local experience, maintaining however a strong defence on the local areas making use of cultural and experiential differences (Featherstone, Lash & Robertson, 1994).

In essence, the global mediation (Erriu & Mazzoleni, 2019), which is born from the slogan "think global and act local", has allowed to search solutions which are not only compromise between extreme logics, but lead to identify efficient solutions in various sectors of economy and company.

So the design of products has led to acknowledge the value of differences generating interesting forms of innovation capable of feeding themselves from the traditions of places and experiences.

At the same time, it gives birth to new culinary logics capable of enhancing innovative "crossings" or re-readings of recipes through the use of canonical and "different" ingredients.

The design has led to unexpected solutions acting between materials and forms.

The same route has been gone realizing also in the world of production where it has been tested the roads which have gathered management methods of "master" and paternalistic enterprises, typical not only in the Italian reality, with those which are learned studying the ways of producing the Japanese enterprises, generating a new and efficient mix.

This process of “innovation” through one route of recovery of values rooted in the territories and histories of the places, has also allowed to propose again projects oriented to the collaboration, the solidarity, the participation. It returns to talk about “common goods” (Mori, 2017; Müller & Schmitz, 2017; Preterossi, Capone & Rodotà, 2018; Schmitz, 2013;) extending the definition even to the aspects of social and economic life (the recovery of places, the management of common spaces- schools, buildings, meeting spaces- arriving to launch initiatives which see the collaboration of different subjects - from simple citizens to the private and public enterprises, from the voluntary associations to the institutes of credit, from the world of cooperation to that of Industrial associationism). To such extent can the territories feed the innovation process anchoring themselves to their own story, to their own symbols, to their own traditions and to their own people that have the real potential of consolidation, but even of change. The territory has returned to be multiform glue for its own objective values (nature, history, buildings, productive settlements), but also for what the culture and the "wisdom" of places offer in terms of relations between people and between them and the institutions. Today everything leads to rethink the territory (Giacomini, Sancino & Simonetto, 2018) and image new challenges that see the collaboration between subjects and different professionalisms allowing to recognize "constituent" values of different territories, processing them, enriching them but, above all, trying to assure that they ware generators of values instead of simple evidence of "histories" and experiences to protect in the collective memory. From this point of view, the cooperative culture and practise represent one important competitive advantage. In fact, the principles that inspire the strategic behaviours and the management of the obviously cooperative enterprises refer to the protection and the respect of territoriality, the necessity of operate making use of the guidelines of the project, programming and of participation that represent for these companies their own social and economic guidelines for realizing new routes. The cooperatives are in fact enterprises which are developed with great attention to their own territories of reference but, the spirit of adaptation and resilient that distinguishes them, have firstly widened in time their own action in more vast territorial areas and then started concrete forms of collaboration in contexts different from those always "native", respecting however the main characteristics of the realities, where they entered adapting systematically their own skills and experiences to the characteristics of the places where they go to operate. All that allows to affirm how this kind of enterprise could challenge itself in consolidating the hypothesis of innovation which know rooting and respecting what the different territories can offer extending further its own capacity of “influence” in adopting coherent managerial and strategic practises with the perspectives that the recurrent crises have almost outlined.

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5. Synergies in the cooperative system: the case of mergers *(Laura Rocca & Elisa Chiaf)*

The world of social enterprise has not been cut off from the economic crisis that has hit out country since 2008. It has also recognized its impacts on its own activities. To deal with the consequences of the crisis one of the adopted “antidotes” (even in the cooperative world) was to place emphasis on aggregative processes.

This chapter aims to describe and analyze the main features, contents and choices of merger processes between social cooperatives, reporting an emblematic empirical case.

The purpose of this analysis is to provide a framework for the evaluation of the fusion processes in order to define the positive and/or critical aspects encountered. This is done providing a reference case in the panorama of the cooperative and social system, with regards to replicating the aggregation processes.

Faced with the choice of a merger it is interesting to evaluate why the cooperatives decide to implement this project and which organizational and economic-financial aspects are involved in the process.

5.1 The merger project in social cooperatives

Since 2008, the year the global economic crisis began, the cooperative world also had to face some difficulties such as the stagnation of consumption and austerity in the public sphere. Even today the situation is in continuous observation, as in the case of “social loans” in some large cooperatives.

According to the principles of social cooperativism, one of the solutions implemented to deal with this period of crisis has been the path of social aggregations. In other words “union is strength” to jointly face the new challenges of the market and make the most of available resources by creating synergies.

The merger is an extraordinary operation that allows the concentration and union of several company assets in a single entity, with consequent legal and economic unification of the complexes involved. The merger is governed by art. 2501 of the Italian Civil Code and can be:

- Fusion by union or “pure”, in which two pre-existing companies come together to create a new entity;
- Merger by incorporation, in which a company incorporates one or more pre-existing companies that are extinguished.

The first merger form could interest cooperatives of the same size and economic value in order to create a new subject in which both have the same “weight”.

Whilst the second case is, from the economic point of view, traced back to a company acquisition phenomenon. The acquiring party plays a “dominant” role, gaining control over unified company complexes (Faggioli, 2013).

In practice, from the economic-business point of view, three possible objectives are met that cooperatives set themselves with the merger by incorporation.

The first is the support from the acquirer to realities of the same sector in difficult conditions (economic-financial, loss of market share,

organizational) that, through the aggregation, see their mutualistic patrimony and the social base maintained.
The second one, instead, concerns purely economic aspects linked to the increase of its presence on the market through a single reality: The entry into new markets where a greater dimensioning of the cooperative is required; A better exploitation of material resources (plants, buildings) and/or intangible assets (trademarks, patents); A reduction in indirect general costs because they are shared; The possible diversification of production; The sharing of particular skills; The creation of synergies in the various spheres of activity, etc. All these reasons can come from sharing a shared front with a crisis in the continuing economic system that drives realities to unite.
The third and final objective may be the will of the incorporating company (in this case the parent company) to reorganize its overall group/activity through the merger by incorporation of subsidiary/investee companies, including them directly within it.

Independently of the two technical cases described above, from a strategic point of view, the mergers can be divided into:

- Horizontal mergers: between competing entities;
- Vertical mergers between entities that operate in different phases of the same production process;
- Conglomerate mergers: between entities that operate without there being a (clear) relationship of complementarity or replacement.

Within the strategic planning of the merger operation the positioning of the entities in the market assumes an important role, identifying the ex-ante situation and then evaluating the effects in terms of effectiveness on the ex-post market (eg. creation of an oligopoly).

In this legal and economic context, the analysis of a merger project should be studied and evaluated considering three main areas of interest:

- Governance: aspects concerning the motivations that pushed the partners towards the merger and the relationships within the administrative bodies of the cooperatives (in addition to mission, vision social objective);
- Internal organization: aspects concerning the organization of activities (products/services/markets) and employees;
- Balance sheet analysis: profitability, solidity and liquidity analysis of the entity considered.

From the point of view of the cooperatives involved in these processes or of those that decide to undertake this direction of aggregation of different realities, it is fundamental to have a medium-term span of analysis. This is done in order to prepare a plan that answers all the questions deriving from a process of an extraordinary nature, such as the merger, which aggregates not only assets and activities, but also persons. Therefore, the organizational and governance aspects should be well evaluated in the future perspective and shared as much as possible with the social base. This analysis allows a realistic view of the future of the operation that must address, in a preventive manner, the criticalities that could arise and respond with adequate tools to the difficulties.

5.2 An empirical case study: motivations and critical issues

The analysis of an emblematic case study allows to better understand the various aspects described in the previous paragraph, giving tangibility to motivations and often theoretical and "ideal" descriptions.

The study of the merger process under examination took place according to scientific criteria, using a rigorous methodology that uses both quantitative and qualitative ex-ante and ex-post fusion data (Eisenhardt, 1989).

The cooperatives of the analysis operate in the Brescia area where, according to the "Report on cooperation" relating to the four-year period 2012-2015, carried out by the Social Economy Observatory of Brescia cooperation has exploited the period of crisis to reorganize. An important factor is the reduction of the number of cooperatives by 10%, partly due to the effects of the crisis, partly due to the aggregation processes.

The aggregation processes were therefore used as an "antidote" to the crisis also in the Brescia cooperative sector.

The case study considered is the merger between Alfa Lavanderia, a social cooperative society ONLUS, and Beta, a social cooperative society ONLUS, which took place November 14, 2013.

The Alfa Lavanderia cooperative started its activity with the laundry service at the internal laundry of a local hospital, developing the cleaning sector in the following years, then expanding its activity to stenotyping. Alfa Lavanderia thus began to operate throughout the Brescia valley (18 municipalities for a total of around 113,000 inhabitants. Over time it also began to manage some services aimed at retirement homes, hospitals, hotels, restaurants and extraordinary

interventions, even outside the original territory, extending to the wider province of Brescia and the neighboring provinces.
Why the merger in 2013? The reasons are to be found in economic and market aspects.
The strategic/operational objective that can be read in the financial statements is, at the organizational structure level, the containment of production costs and, in the medium/short-term, the possibility of evaluating collaborations with other social cooperatives operating in the same sector (laundry).
The economic-financial budget data for the years 2010, 2011 and 2012 reflect the economic suffering of the cooperative. The data show a high cost for services, also due to the particular production sector, the relations with the electricity and gas supplier, and a negative operating income from the characteristic management, in 2011 and 2012.
The debt ratio (third-party assets/own funds) shows very high values, even if there is a reduction in 2012.
The key point, however, is the old losses which, together with the significant one of 2011, lead to the almost total erosion of the share capital. This point, associated with the operating income of the constantly negative laundry, induces the Cooperative Board of Directors to become the promoter of an aggregation with a cooperative of the same sector operating in Brescia: Beta.
The motivations of the Board of Directors are based on the awareness of not being able to reach the break-even point of the laundry balance sheet with the use of the production site in the Valley due to the high costs of energy and services connected to the activity and the limitations of the productive structure (machinery) present on the site.

Moreover, the specific market of the sector has experienced over the years an increase in price competition and a "race" to the downside. Not being able to improve the efficiency of the structure, not even increase the production volumes and no longer having the prerequisites for economic survival, even in the short term, the Board of Directors, in order to protect the workforce and carry forward the mutual aim established, proposes the merging by incorporation into Beta in 2013 at the company base.

The Beta social cooperative was established in 1986; it was born from a convention of the Consortium of Social Cooperatives of Brescia, and the then USSL 41, to promote the project of "social reintegration and vocational training of non-institutionalized psychotics" with the aim of dealing with pathways of employment for people with psychic suffering.

The Cooperative chooses to specialize its activity concentrating on the laundry services.

After more than a decade, the Cooperative lost the main job order, both for the employment of disadvantaged workers, and in terms of incidence on turnover and on the overall productive and commercial dimension. Along with the loss of the contract, the global economic crisis was also affecting this sector and the Co-operative, in 2012, resorted to social safety nets such as the exceptional layoff for the first time.

Similarly, to what has been analyzed for Alfa, Beta also shows a worsening economic situation: the operating income from ordinary operations, in the three years 2010, 2011 and 2012, is never positive and the situation was getting worse.

At this point, given the under-utilization of the production plant, the reduction in turnover and the use of social safety nets, the Board of Directors positively evaluates the possibility of strengthening the production structure through the combination with the Alfa Lavanderia cooperative.

The 2013 merger

From the description of the history and evolution of the two cooperatives, the reason of the merger appears intuitive: the economic-financial sustainability in the medium-short term of the two realities, in its own right, would not have existed without the expectation of aggregation.

Alfa Lavanderia has strategic potentialities (the protected laboratory project is an example) and commercial outputs that it is unable to exploit, due to the production limits of its location; this leads to a reduction in efficiency, including high energy costs (high costs for services).

Previous shortfalls have subsequently eroded the share capital; the survival of the company is at risk, failing to translate the above-mentioned potential into profitability.

Beta has a technologically advanced and efficient production site, but, as a result of the crisis and the loss of the main order, it has no business outlook that can maximize the plant's potential. Furthermore, the balance sheet values show a constantly negative EBIT (Earnings before Interest and Taxation), a clear sign of difficulty in producing income from the Cooperative's day-to-day management.

The different reasons of the two realities are complementary in the decision-making of the merger: the expressed objective of the operation is to strengthen the productive structure and rationalize the organization of the two companies. This operationally means that Beta's production plant should be used efficiently and Alfa's commercial integration should be achieved, creating synergies.

From the economic-financial point of view, the aim is to make the new company sustainable in the middle-long term, through a reduction in indirect general costs and in a simplification of the administrative processes by reorganising the new company. This will allow to continue the mutualistic and job inclusion purpose, previously undertaken by the two realities.
The business plan related to the merger project highlights the possibility of reaching the break-even point in the following years from the merger, thanks to the reduction of indirect costs and to the higher exploitation of the production plant (increase in productivity and efficiency), while keeping the workforce unchanged.
The social basis of both Cooperatives supports the decision to merge, understanding their real needs. The decision to incorporate Alfa Lavanderia into Beta was taken on the basis of the balance sheet results of the first company, which are now unsustainable. Some initial organisational criticalities have been noted with regard to the relocation of a number of employees from the Alfa headquarters to the Brescia's one (Beta headquarters). These criticalities were then resolved.
The post-merger new Beta Cooperative now includes the employees of Alfa Lavanderia and the new Board of Directors has changed: the current President is that of Beta and the Vice-President is that of Alfa Lavanderia, for the representation of both the realities in the management board of the Cooperative.
At this point, it has been interesting to see whether the merger has actually led to better economic and financial data in the new company.
The analysis of the balance sheet by index (Table 1) allows us to analyse the consistency of the programs formulated, with the

objectives of profitability, capital solidity and liquidity assets that are in the interest of being achieved.

Table 1. Analysis by index of the merged entity.

	2016	**2015**	**2014**	**2013**
ROS	1,8%	-6,0%	-6,6%	-21,1%
ROE	3,1%	-67,9%	-84,5%	-70,8%
ROI (financial)	1,3%	-5,2%	-11,5%	-31,2%
CREDITS ROTATION IN DAYS	155,01	137,88	174,51	169,76
INCIDENCE OF THE COST OF EMPLS ON AV	46,65%	53,38%	47,79%	46%

The analysis of profitability (Teodori, 2017) starts from the ROI (Return On Investments) whose increase, although the values are negative, with the exception of 2016, confirms the trend of improvement.

The change, which in standard conditions could be seen as a "rounding off", in a context of crisis represents an important indicator. The merger operation seems to have had some positive effects, but in any case, an evaluation must be made considering a longer period, in order to understand whether this improvement trend can continue and reach positive values even after 2016.

The performance of ROS (Return On Sales) is very similar to that of ROI: it suffered from a sharp deterioration in 2013 and then remained stable in years to come, reaching positive values only in 2016.

A worsening in 2014, on the other hand, emerges from the trend in ROE (Return On Equity). In 2015 we are still on a negative level closing (-67.90%), while 2016 has been the first positive value post-merger. Negative ROE values indicate an economic imbalance that is so serious to erode the Group' s equity. The origin of this imbalance lies both in Alfa's difficult situation and in the general undercapitalization of cooperatives (a common feature of many cooperatives).

In addition to the above indices, particular indicators have been considered relevant in the economic-financial analysis of the Cooperatives (Alberani, 2002) for the distinctive characteristics that the latter have: credit rotation and the incidence of personnel costs on the value of production.

From the point of view of credit rotation, we are faced with relatively high values: only in 2015 was possible to see an improvement, when the average number of days for credit rotation drops to 138, but then worsens further in 2016.

The incidence of personnel costs on the value of production is more or less constant over time, with a moderate increase in 2016. There were no significant changes during the period under review.

The analysis of the overall financial statements shows a trend in profitability and capital strength which only reached "acceptable" values in 2016, showing a constantly negative operating income (EBIT) from 2013 to 2015, which was positive only in 2016. Aggregate revenues from 2013 to 2016 did not increase but remained stable.

The elements described above highlight the situation of the new cooperative between 2013 and 2015, which is not very different from that of the two single pre-merger cooperatives: the merger didn't

"work" yet. In 2016, on the other hand, the significant improvement of all the indices and the positive value, for the first time, of EBIT became evident.
Those numbers allow us to have a brief data to evaluate but are not enough to answer to the question about the outcome of the merger, especially in this case, where the data indicate a problem in the recovery of the new Cooperative, despite the aggregation. A slight improvement can be seen, however, in 2016. It can be supposed that the pre-merger situation, which was difficult for both cooperatives for different reasons, conditioned the immediate positive outcome of the merger, leading to medium-term results.
Based on the assumption that the balance sheet data describe a situation in which the objectives of the merger, at least until 2015, do not seem to be achieved, the issue was explored during interviews with the representatives of the merger process. From these interviews it became clear that there were problems along the path of sharing the single organization of the two realities.
The governance was divided between economic-organizational and commercial-technical management, according to the distinctive abilities of the members of the Board of Directors. The reorganization intention planned in the merger (and in the business plan) involved a modification of the pre-existing organizational model and also the relocation of some employees to other positions, compatibly with the characteristics of each one. During the implementation of the project, however, it was found that the organizational model of the two Cooperatives was very different: in the first it was adopted a model of delegation and accountability of the subjects, in the second the model was more centralized.
In the "operational" comparison and in the implementation of the reorganization project these differences emerged led, according to

an external writer, to decide to maintain a more centralized model. As can be seen from the organizational charts in the financial statements, 2013 has a centralized model and, from 2014 it changes but remains centralized.

This approach may have contributed to a failure in raising productivity, as expected in the multiannual plans. Conflict in unifying different organisational models and different 'day-to-day' work management practices may have affected the working environment and, as a consequence, also the productivity of the business. Moreover, no new customers have been acquired and the situation has worsened, till 2015-2016, when all economic data seem to be improving.

2015 brought a change in corporate governance and in 2016 a new Board of Directors began a process of reorganization of the Cooperative to raise its fortunes. Some of the proposed actions are the equalization of salaries, the reduction of indirect costs, the revision of the internal organisational model and the promotion of contacts with new customers (even in 2015 there were contacts with 10 new customers). These actions would seem, in view of all the financial ratios under consideration, to bring concrete improvements.

It will be interesting monitoring the years following 2016, to understand whether, in fact, the internal reorganization is helping to improve the situation of the cooperative.

5.3 Case study analysis: some findings

The reason of merger project plan is clear: production efficiency and short-term economic sustainability of the new company.

According to the case-low, the strategic reason can be traced back to the goal of supporting the same sector in conditions of economic and financial difficulty: this is in fact a horizontal merger.
The merger had a process of full sharing of the social base, reflecting the trust of the shareholders in the administrative boards, and in a short period of time, on average one year from the beginning of the discussion, to the resolution of approval of the merger plan, where the proposer was the incorporated company.
The research focuses on the fact that the merger process did not have positive results in the first years after the operation (2014 and 2015), both in terms of growth and business development. The reasons that led to the merger have not been achieved in these critical years, most likely because no organizational aspects (in terms of effectiveness and internal efficiency) have been shared before the merger took place, creating difficulties in the implementation of the project at the operational level.
The objective of improving processes is not only at a pure production level, but also, and even more so in cooperatives, through the sharing of work methods and the creation of a positive business climate. However, the difficulties of the first few years seem to begin to dissolve in 2016, with a reorganization underway, and with the openness to new customers. Therefore, in addition to the organizational structure, there is also the need to have organized the merger according to a careful analysis of the income potential of the post-merger cooperative. This fundamental approach seems to have come up against a general market difficulty and a "change of route" difficulty that only took a turn in the last year.
The economic-financial analysis of the new cooperative does not show, at least in the first post-merger years, a better situation than the previous one, but signs of improvement begin in 2016. The

analysis will be very interesting for the following years, in order to understand if the evolution will follow these last positive data.

A last significant aspect is that revenues connected with public contracts involve risks (e.g. loss of contracts that are decisive for the sustainability of costs, as in the case under consideration) that can be mitigated by creating an entity with greater size and production potential (efficiency and effectiveness) such as the new Cooperative, beyond the initial difficulties that can then be overcome, as seems to be happening in 2016. On the other hand, the two realities in their own right would not have been sustainable over time, with far worse repercussions on the social base and on the workers.

In conclusion, also on the basis of the analysis of the empirical case, the merger, if properly supported at the level of economic and organizational feasibility analysis, can be a way to deal with the crisis by creating subjects of larger size, more structured and with diversified activities, with the aim of seeking to reduce business risks and maintain, if not increase, the social base and the employment of new subjects, both disadvantaged and not. All this, however, must be accompanied by an organizational review (Giacomini, Mazzoleni and Muzzi, 2015) consistent with the new objectives and that takes into account the different models that characterize the pre-merger realities so as not to run into the critical issues described in the case study.

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6. Training and innovation to face the future *(Stefania Marcozzi & Mario Mazzoleni)*

6.1 The “experiential” training for governing the work in the enterprises 4.0

Among the arguments of interest noted on the pages of economic newspapers and exciting the curiosity of enterprises and co-operators, there are titles on the enterprise 4.0 of the digital technologies, on the use of robot and automatons for different processes in many sectors. The questions to which convincing answers are given remain always the same: people's work will never be completely replaced by machines, which effects will the use of AI have on relations between the organization and the person, which development potential and / or transformation will have the professional profiles, but above all what kind of planning, contents, ways and times will serve to satisfy emerging training needs.

Faced with these questions, the business world is divided between those who seem convinced that the introduction of technology will lead to the elimination of manual work with concept activities, to the detriment of those who are less educated and qualified with a strong loss of jobs, and those who appear to be persuaded by the use of technology to support people, as an "extension of the body and mind" that will favour the implementation of processes of work and learning and the elimination of many errors (Bauernschuster & Falck, 2009; Gospel, 2013).

And it is precisely in this perspective of transformation that the topic of training becomes crucial, of new opportunities for personal growth at 360°, anchored to a strong planning of skills development paths that fully meet the needs of companies and in the same way take into account the personality characteristics of workers.
But which skills will be required? In one recent research titling Skill Development for Industry 4.0, the skills that need to be strengthened and that will become crucial to successfully administer the work in large and small organizations have been presented.
As shown in the figure below, among the Interdisciplinary Skills, the Social ones play a substantial role in the personality of who play the company role. The Social skills would be in fact transversal to any organizational position and their presence would represent the plus value between innovative teams and executive teams, especially in periods of change.
Maintaining the centrality of the person in the cooperative world, together with the achievement of satisfactory economic results, requires a dual effort, especially in a time of structural and cultural change as fast and pervasive as the one we are experiencing (Marcozzi, 2011).
It becomes a daily need, as well as a precious opportunity, to focus on training to make organizations "self-efficacy" and further promote people's well being, through learning and sharing experiences that strengthen the mind, soul and body individual.
The baggage of tools available to workers should aim to have a mix of social, managerial and technical skills: ability to solve complex problems, decision making in a short time, critical analysis, group leadership, etc. Therefore, a good planning of the training is certainly desirable by explaining the objective in increasing the basic skills necessary for the 4.0 organizations such as: Coordination with

others, emotional intelligence, negotiation, persuasion, performance orientation, teaching others, analysis, evaluation, decision making and problem solving.

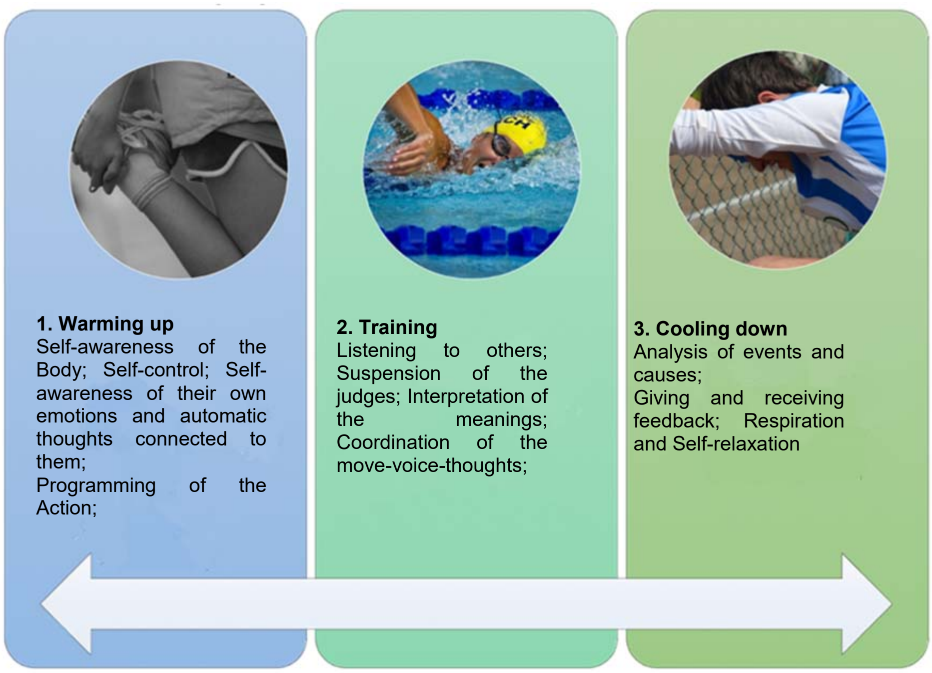
As anticipated, experiential training courses, especially those organized outside the workplace, appear to be adequate, as they expect to live unique moments of deep participation with others, perhaps in contact with nature. In fact, the activities could be held in alternative spaces like one park, the shore of the sea, the countryside, a large kitchen of a farmhouse or the top of a mountain.

This kind of experience allows to activate the mirror neurons which control motor acts leading to manipulate, touch and grasp the objects. This means that only by observing a person performing a task is it possible to trigger the mirroring mechanism of the other, which will be much more powerful in people who have that level of motor skills, speeding up the process of learning complex social behaviours. Providing learning and improvement paths based on human essence in companies is the best way to succeed in extracting the best from people in a world where the use of machines and technologies corrodes the space of action and expression of human creativity.

The strategy adopted by the Management remains fundamental for the success of the training, it must be that of transmitting enthusiasm and passion in employees for this type of approach, spreading the values of the company and the feeling of respect for the person.

Experiential workshops are based on the use (and awareness) of the body, to perform any type of exercise, both individual and in group. It is desirable to organize the experiential training path with the support of a qualified psychologist who will be able to draw up the personality profile of the participants and take into account the individual characteristics in order to field activities more in line with the needs of the group.

Figure 7. Phases of one experiential workshop



Author's own work.

The effectiveness of the circular model of Organizational Well-being in small and middle cooperatives

The innovation of Artificial Intelligence systems and the digital transformation have already demonstrated their full potential to be used in the different areas around which the life of People revolves - from work to health, from education to the environment - and have started reflections on the risks that man could incur in terms of stress and general malaise in the near future. On the other hand, it is underway different researches that demonstrate actions that improve well-being in organizations such as corporate welfare plans. There is in fact much more awareness of the positive correlation between the level of serenity and satisfaction of the person and the level of self-efficacy, motivation and creativity expressed in the work.

What is still to be demonstrated is the validity of a univocal methodology, composed of simple procedures, detection tools and analysis and learning techniques that guarantee the reliability of the results: the increase in well-being, regardless of the type of company and of the environment in which it operates.

In the Cooperative, there is a natural predisposition to the development of a habitat in which people feel at home, where economic and financial interests are as important as the growth of members, the quality of work and the opportunity to have different experiences (Mazzoleni, 1996; Marcozzi & Mazzoleni, 2012; Giacomini, Chiaf & Mazzoleni, 2016).
And precisely for this particular enterprise, it is proposed one model of welfare development, perfectly applicable to the cooperative logics and supporting the innovation, the work 4.0.

The first phase of the model (Listening) requires taking a "photograph of the organization" outlining the state of the art of all business processes, the functional architecture and the dynamics of the various groups, together with the collection of concerns and expectations that animate business life. This happens by calling all members and employees to express their personal point of view through a semi-structured interview given by a professional.

The second phase (Exploration) includes the analysis of the data and information that emerged and the representation of the results with the help of histograms and pie charts that facilitate the understanding of the general framework of the organization's welfare and / or wellness level.

In this stage, it is possible to describe the cooperative through three zones, marked by traffic lights (green, orange and red); green means strong areas; orange those potentially weak; and red the critical areas. Thus begins the period of detailed study of the case, of immersion in the culture of the company, and of examining the effects of external contingencies in the various areas of the cooperative. This phase requires also the formulation of welfare development interventions.

The results achieved are communicated and discussed in the first instance with the board of directors and the president of the cooperative and after weighing the actions to be implemented, it is a good idea to prepare a shareholders' meeting to present the finished work and future steps to everyone.

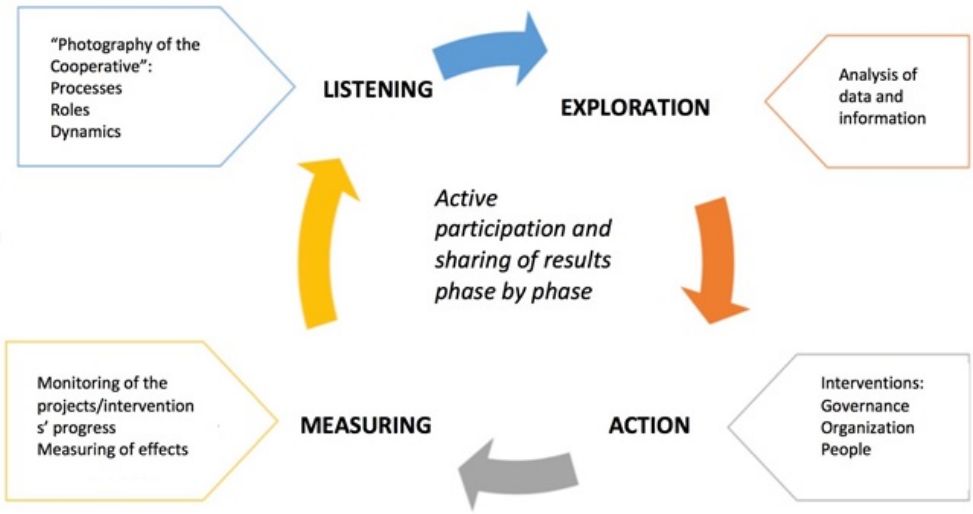
The implementation of the proposed interventions, which baptize the third phase (Action), necessarily concern three axes: that of governance, organization and people, following a methodology that envisages an integrated and multidisciplinary approach, consistent with the fundamental values of the cooperative in order to maximize the chances of success.

For each organizational structure, it is studied ad hoc the actions, which follow a very precise program of short, medium and long term objectives.

As with the setting up of human resources, the objectives concern both the individual, the work group and the company sector / function.

In this design, much attention is paid to grasping the new needs of men and women who work and "measure themselves" in an environment and a society in continuous transformation.

Figure 8. Circular model of Organizational Well-being in small and middle cooperatives



Author's own work.

To develop transversal (soft) skills increasingly in demand in cooperatives as in any work situation, it is desirable not to neglect the distinctive characteristics of the human being: those extraordinary parts such as awareness, creativity and empathy that distinguish us from the robots and make us part of a system in continuous activity.

Still in this third phase, it is desirable the collaboration with specialists in psychology of work and systemic-relational psychotherapy for creating a "tailor-made" training program. For example, they are very effective coaching for the responsible roles aimed at learning new skills while acquiring a greater awareness of their inner workings. It is possible in this way enhancing and adapting the different aspects of one's personality.
In parallel, it is desirable to set up laboratories for innovation aimed at company resources with various backgrounds and coming from different sectors, focusing on existing projects, in order to develop products, but also to bring out the creativity of talents.

The fourth phase (Measurement) requires the monitoring of all the actions put in place and the sharing of the results achieved and the effects generated at any level and for each person involved in the various projects. The end-of-course assessment must be communicated to all members of the cooperative and provide for a three-year follow-up to measure any changes in the perceived level of well-being. This is the first life cycle of the model.

Organizational Welfare is called the circular model, since it involves the involvement of the entire organizational structure and the return to the starting point, to listen to people, to assess the effectiveness of the measure. In essence, it is a cutting-edge business management model that punctually attempts to measure the impact of economic results on people's lives, allowing the acquisition of greater knowledge of reality.

This would make it possible to guarantee to future generations work environments where it is possible to cultivate talents, give freedom to creativity, be protagonists of a progress that needs to be observed, evaluated and redirected on a daily basis to make it ethical and socially responsible.

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7. The cooperation and the challenge of artificial intelligence

(Mario Mazzoleni)

The topic of artificial intelligence is certainly among the most popular ones in the conferences of recent months having suddenly undermined the popular one only a year ago and related to industry 4.0 (Floridi, 2019).

Actually, it should be immediately underlined that the two arguments are decisively related to each other, not only because they have a common matrix linked to being born of innovation on the technological front, but also because the data management and the generation of “adequate, albeit complex algorithms” appears to be the common element that often leads to seeing initiatives related to the “world of industry 4.0”, associated with strong investments aimed to enhance data collection, analysis and interpretation capabilities and research ever-increasing forms of automation and self-regulation of business processes. It is evident that the technology has a central role in the digital transformation, but it should be underlined that the challenge should not be dealt with only through investments that lead to the introduction of new technologies, it is equally clear that for the purpose of affirming the innovation that artificial intelligence and digitalization entail, it is necessary above all the capacity of directing and using the innovation, in order that it should be “useful” to the people (from workers to customers up to those who interface with other companies for other reasons), that is one company culture oriented towards these new practices and considering them as opportunities instead of a danger for their own experience. The transformation cycle is therefore seeing the technologies as the basis and effect of our will of changing and improving/developing ourselves, but in the centre of the new processes (as in the past), the people remain with their vision, strategic thinking and capacity of directing and sustaining the actions on the “field” (Kane, 2015).

The digital transformation is after all the change of the people, but is inescapable and not deferrable: it should be digitalized, we should learn to live with the transformations imposed by affirming the “intelligent” processes and for this purpose, we are in need of involving the internal people of the enterprises. So it appears to be fundamental that the internal people of the companies are oriented and prepared to the digital transformation, giving their skills and mindset that make them protagonists of the change that the company should go through without solution of continuity.

In order to enter with a bit more awareness of the topic, it should be remembered that for over 2000 years, the philosophers have tried to know how one reasons, learns and remembers and have speculated on the possibility of recreating artificially autonomous and sentient instruments, but only with the coming of the first calculators of the ‘50 years, the research(or even only the hypothesis that move to the research) have turned itself into a real theoretical and experimental discipline that focuses on the study of human faculties for repeating its functioning through “heavy machines”. In short, today we could say that the principles of artificial intelligence are therefore four:

- The reasoning and generally every kind of mental activity is a formal calculus/game;
- The calculus is seem as manipulation of symbols on the basis of prearranged rules;
- The symbol or representation is one object that stays for or represents another object;

- There could be one automatic manipulator of symbols.

The representations or symbols could have a relation of similarity or analogy with the object that represent or could be described through mathematical formulas that permit reproducing and formalizing the reality, in order to define even the human thought as one "algorithmizable" system. So since 1956, the expression "Artificial Intelligence"(coined by the United States' mathematician John McCarthy) represents the construction of one computer that knows performing the same functions of human brain. It should also be underlined that the thought that the "machines" realized in this way could replace the human being or even define for "managing" was not a hypothesis taken in consideration (apart from that in many essays by science fiction authors), but in the latest sixty years, the development of the informatics instruments and of the network that connect them has been so rapid and efficient that the hypothesis of tight bond between human being and technology is among the topics that we hear in every debate. We are certainly already aware that we depend increasingly on the "intelligent" technologies that improve objectively our life as well as the capacity of generating value through economical activities. Firstly, we could affirm anyway that it is up to us deciding to which level and in which fields the autonomy of these instruments could or should expand themselves, knowing that if we delegate more and more increasingly complex tasks to "intelligent" instruments and "robots", we will finally reduce or eliminate our autonomy.

Having, albeit synthetically, defined the context in which this "new era" is inserted, it is better underlining that unlike the precedent "revolutions" (for example, that of automation of the precedent century or the industrial one of the XIX century), the "disruptive" effect, therefore revolutionary of what is happening is not included in the “occurred revolution”, but we are even clear that our life will really be oriented in a very different way as the Artificial Intelligence is affirmed, although we have no clear ideas about “how” this revolution will change our life (and not how long it will be radically changed).

So we should be aware that:

a) AI is now an inevitable path;
b) AI means one further change of paradigms and that the change does not mean changing “something” in our way of working, but means questioning our future in the world of work and not just on certain areas / functions;
c) That every resistance to the change will be simply swept without “if” and without “but”;
d) That it is a matter of technological challenge with enormous potentiality that will impact the whole package of company functions;
e) But it will also (above all) be one challenge that would not be won if only be guided by the technological component.

Firstly, this means that “there is not” one scope or one company (or institution) form that should(and will) not “do the accounts” with what the coming of artificial intelligence involves (and will involve).There are certainly some institutional (value, cultural) aspects that could facilitate or slow the “acknowledgement” of the coming of the revolution and the beginning of one adequate phase of change/adaptation. From this point of view, the cooperative value basis gives some initial advantages that give (at least in the theoretical way) the possibility of more quickly “putting into play” to the cooperative system.

In a nutshell, the cooperative system has in its DNA the principle that, for paraphrasing Max-Neef (1992), leads to affirm that the innovation (like economy) should be at the service of human and not the human at service of (o slave to) the innovation (and the economy), which means (in summary):

a) Believing in the cultural investment and not only for reducing the resistances to the change;
b) Being aware of having to presiding the processes that should be introduced (at various levels) in the company, guiding the innovation gearing up to manage the surprises that it will determine (starting from the will of maintaining always the man in the centre);
c) Recognizing the existence of one strong ethical component and one relevant relapse on the work ethics not only for what AI will determine on the work organization and on the humane working role, ma for aiming at one new vision of the relapse and distribution of value generated by the work (and there the institutional “genesis” of cooperation gives one clear advantage);
d) Assuring rules on the information control and generation of informatics flows (both in their real potentiality and in their instrumental use in the company but not only).Also in this case, the experience related to the support of participative processes shows one evident advantage in favour of the cooperative system.

Another aspect that sees one real competitive advantage in this phase of transformation for the cooperative world is born from the need to support the change of knowledge and attitude aiming at the operative resources in the company that could connect more easily the new with the past, to do this one way, one should be based on the sense of membership (aspect that represents one natural and necessary element in the cooperation), for another on the will of investing constantly the people growth through constant training processes redeemed strategic (also in this case, it is its own aspect of cooperative institutional form) that could offer the possibility of realizing really one route of lifelong learning. With regard to this, there are three kinds of training routes that could be dealt with ("The New Rules of Talent Management", 2018):

- Digital Hard skills that represent the elemental basis (the vocabulary and the grammar of the new language of innovation) regardless of the role or of the function that the people assume in the company.
- Hard skills for redirecting and supporting the capacity of dealing with and managing the new;
- Soft skills for dealing with highly flexible and unstable processes, which require not only the capacity of adaptation, but above all the orientation to the relation, to the comparison, to the question.

Lastly, we could underline how the cooperative experience trace another element of hypothetical advantage for this kind of enterprises in the current magmatic phase of change. We talk about these enterprises' capacity of "adapting" to change model, of adapting chameleonally both to the context in which they operate and to the innovations that occur over time. This adaptability is associated to which that could be defined as the "destructive" need of the old paradigms required in the world of enterprises. The Digital Transformation should be transformed into actions of business change regarding the products, services, relations and experiences which the company has consolidated time ago. Knowing that some of the transformations' pieces allow to trace the evolutionary or completion routes (modify but do not upset) but others lead to more radical and dangerous routes that require necessarily one destructive force (exactly new paradigms) (Mazzoleni, 2013). The change that the digital transformation imposes passed first of all from a cultural passage, supported by collaborative, flexible cultures capable of adapting, that does not fear the possibility of seeing its own action fields questioned both for its products/services and for the ways in which it competes or relates to other operative subjects in its own scope o markets. This is also one front in which the cooperative enterprises' capacity of moving from the mid-nineteenth century to today has given wide and constant positive signs and results which guarantees not only the survival, but also one constant presence of its own markets/sectors of reference.

So in essence, talking about "revolution" related to the coming of Artificial Intelligence, we open one front that involves human being and its institutions(also the companies) without particular distinctions between the institutional forces of the latter, but in front of the affirmation of the revolutionary "spirit", the cooperation has on his side one experimental consolidation, related to its own constituent values, which allows (might allow) it to act reducing those inertias and resistances which all the processes that span the status quo usually generate. One route that could not only start from the top and involve the bottom involves the whole company reality (and who is somehow in relation) through cultural actions, lifelong learning and business experimentation and relations. This is the challenge of digital innovation, which is therefore the process of transformation of the people because it depends completely on these the challenge that should be dealt with in the awareness that undoing it might lead to the decline of our economic and social system.

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8. The strategic perspectives for the cooperative enterprises and the role of management *(Mario Mazzoleni)*

The reignition of the international crisis has also led the cooperative system to strongly depressive recorded results not only referred to the market data, but also on the maintenance of the "workforce" component which, albeit with relevant differences in different sectors in which the cooperative system is operative, had recorded one discrete capacity of maintenance as a whole.

Even for the cooperative enterprises, the dilemma related to the main question of these years the “what to do” is being imposed with urgency, as the typical characteristics of flexibility and the capacity of adaptation of these enterprises do not seem any more capable of guaranteeing opportunities of further resistance to the devastating effects of the crisis.

Naturally, it is worth for the cooperatives the same reflections that try to sustain the strategic directions proposed by the top management of other kinds of enterprise and therefore the need of dealing with the new through strong capacities of innovation that should concern the whole way of entrepreneurial operation (from the governance to the processes, from the alliances to the capacity of operating in new markets and through new methods of relation with the market itself). As always, however, the definition of strategic directions should be developed taking care of operation trying to make the most of the potentialities expressed by its own model of “doing business” and of

limiting the negative effects that their own institutional peculiarities generate.
From the general point of view, the research of these coherences seems supported by the awareness that some elements “establishing” the cooperative model represent exactly useful levers for dealing with the epochal change that the crisis generated by the so-called hyper capitalism has set off in the whole world.
Since the beginning of the current century, to tell the truth, who among the economists had shown themselves less inclined to fall into the trap of the unconditional celebration of the race for deregulation with the consequent support of an illusory search for absolute growth, had identified in the cooperative system one interesting reference for directing differently the action of enterprises (Mazzoleni, 2013), indicating in the participation system and in the experiences of international cooperative movement the highways for avoiding the fall and for imaging routes through which the consequences are dealt with. The challenge was already open then and had one strong connotation of ideological nature characterizing the participatory lever as supporting pillar for the economic model oriented in completely different from that of fashion. Today for the cooperation, it seems obvious the need of helping and sustaining its own strategic directions through one strong commitment in the development of advantages that the principles deriving from its own institutional model can generate in terms of “entrepreneurial approaches”.

These approaches (in essence) lead to:

- Operate knowing clear the centrality of the people in their different forms of “contact” with the enterprises and orientate oneself to the “reconciliation of the interests” of who that ask the enterprises to satisfy different purposes and needs (Masini, 1979; Onida, 1971);

- Have one clear strategy oriented to the lasting overtime and identify in the economic approach the instrument through which this strategic line is supported (the profit as instrument and not as purpose of company life);
- Separate the concept of growth from that of development and combine this through a great attention to generating value with respect for sustainable orientations;
- With various instruments, involve differently the various kinds of interest holders towards the enterprise(and, in the concrete of productive or supply activities, operate following one participatory model);
- Open itself to forms of collaboration in the manned territories which, lead not only to generate synergies of institutional chain (so between equals), but also to generate occasions of strong involvement with other kinds of enterprise that are able to share some guide ideas of the participatory model and of the vision orientate in the long run.

In general terms, the disruptive crisis (which appears finally as one “not cyclic” but systematic crisis) involves somehow two needs for the cooperative system. The first, which joins the cooperation to the other forms of enterprise, is the challenge of innovation that is opposed to that of more or less inertial conservatism (it is always done so). Challenge that appears clear at the moment when it is obtained the awareness that the future will not have the “forms” of the past any more and that, consequently, only one strong capacity of “questioning” of the past could lead to develop new paradigms (Mazzoleni, 2013).

The second need, of which the international cooperative movement seems less aware, is that of representing a point of reference for the social economic future on “how” to do business. The will of representing one model to be widespread as well as being one element of relevant economic and social “responsibility”, is also one of the guide directions to which the cooperative system should comply according to those that are commonly called the “cooperative principles”.

The two challenges pass from the capacity/will of tackling some limits that the cooperative system shows for years and, overlapping between each other, can take the risk of limiting the role of cooperation change agent and causing grave consequences event to the capacity of surviving of enterprises that belong to it.

In essence, today (naturally avoiding generalization and in the awareness that many cooperative realities continue to act differently) the main limits which are highlighted in the cooperative world (particularly Italian) are as follows:

- Conservative approach in front of crisis that lead to support methods of action characterized by organizational inertia(this is always done so).Getting involved speculating new paradigms seems difficult in many realities event for one certain dose of resistance to the change of company top management. This derives both from the fact that for too many years the cooperative movements has reduced serious investments in managerial training for its own and from one certain block of the generational turnover that is recorded in the top management in many cooperatives, and lastly from the difficulty in finding collaboration models, markets’ comparison, also traditionally a reference, linked to the negative effects generated by one certain propensity of many cooperatives to operate “conforming” to the behaviours in vogue;

- Watering down of the bond to its own inspiring principles which have seemed overtime to become more "watchwords" than addresses to which the management of cooperative enterprises is conformed with coherence. In addition to the reduction of investments in training and the desire to "represent" a model by spreading its characteristics and operating methods, for too long the references to participatory logic have not found an opportunity to evolve to maintain its meaning and its entrepreneurial drive in changing economic and social contexts;
- Difficulty in defending its own peculiar characteristics in front of the attacks that the cooperative movement has suffered which, in addition to reducing the strategic value of these elements, have ended up weakening the same cooperative companies. An example of this is the one linked to the "battle" over taxation and cooperation which, going beyond the constitutional logic, has ended up reducing the ability to orientate the value generated by management towards long-term consolidation and has in fact reduced the potential of the unavailable assets on which an element of strength of the model was constitutionally precisely based.

In the first instance, therefore, cooperative enterprises today are faced with the need to grasp the potential of their own "raison d'être", combining it with a concrete ability to orientate strategically through the support of management logic and tools (without distinction of institutional form). But at the same time, there is the awareness that these potentials will pass through a strong questioning of the limits that weigh down the revival of cooperative enterprises. Only by accepting this challenge of multiple levels can cooperatives obtain new opportunities for consolidation, generating “quasi-osmotic relapses” in other forms of enterprise as many opportunities for consolidation and growth.

8.1 Collaboration between cooperative enterprises and other entrepreneurial realities: rules of engagement and methodological premises

Among the opportunities presented to the world of cooperation to consolidate their strategic perspectives and affirm the ability to represent a reference point for the exportable change even towards other types of companies, the one that passes through the development of collaborative strategies "across the board" appears to be among the most important and stimulating. This new space of action stems from the fact that almost two decades have passed since the implosion of the system called "capitalist turbo" by the essayist Edward Luttwak (2000) and for some time it seems that we have finally abandoned the expectation of a magical revival which, like a modern Godot, was first evoked, then glimpsed and then, with resignation, postponed to better times. Having abandoned the "hope" of a new bengodi, the need to imagine new paths, "new paradigms" to slowly find different solutions from those adopted in the past capable of radically questioning experiences that are no longer repeatable has slowly come to the fore.

A leitmotiv that accompanies most of these experiments takes its cue from the "discovery" of the value of collaboration between companies and between subjects that often turns into a way of facing challenges through sharing-oriented models in a logic that the Anglo-Saxon-speaking authors define "win-win" (Nash, Kuhn & Nasar, 2004) that is, where everyone gets the benefit more or less equally distributed.

Collaboration and sharing have begun to transform the production processes and also the provision of services, so the sharing culture is quickly taking root from the rent of the houses to that of the clothes passing through the sharing of productive factors (for example complex machinery that are shared in construction or agriculture, super experts in materials that, through supply contracts, pass from one large aeronautical company to another to support research into the use and adaptation of materials to new projects).

The topic of networks and networking is nearly consolidated not only in the classrooms of large business schools, having become a practice in defining new strategies for many small businesses, even small ones.

Through the network, links and contact points are created between a set of organizations, with centres that act as receivers and distributors of knowledge.

In every competitive arena, the creation of a network and its use represent a useful tool to face new challenges: the achievement and defence of the acquired positions is increasingly in fact the result of the interaction between companies and the availability of resources present in the socio-economic context of reference.

From this point of view, then, the experiences of different countries confirm the importance of networks of organizations in creating better conditions to develop economic activities, to give new impetus to

areas in decline and to protect already consolidated production sectors.
So the networks, the collaboration and the processes are outlined as one competitive advantage, contributing to increasing the system’s efficiency as a whole with relapses on every member.
It is clear that from this point of view, the "novelties" that the economic system allow us to highlight place the cooperative system in a theoretically advantageous position as the cooperation, from a socio / political point of view, presents the typical peculiarities of a network for its own value system, for the institutional set-up and for the development and integration strategies. Joining and seeking agreements between one cooperative and another are natural reactions, based on a structure of people who have always seen an effective and efficient solution to market challenges in the union of their resources.

8.2 Overcoming the Public-Private Division

This competitive advantage runs the risk of ending itself where the evolutionary process does not lead to the creation of networking, collaboration and sharing initiatives able to see the various subjects that, in institutional terms, have been divided into the areas of intervention through filters social, political and economic. From this point of view, the subdivision that has seen public, private must be considered outdated (Nabatchi, Sancino & Sicilia, 2017), the operation must be carried out by controlling sectors and services according to its own approaches, its own rules and behaviours.
The final overcoming of this subdivision leads the cooperative system to operate "as equals" with the other company systems, sharing the search for institutional, organizational, market approach, production

and strategic solutions capable of synergistically generating new supply and growth methods, stimulating the development potentials linked to the involvement of different subjects (and entrepreneurial cultures) in the existing networks, starting from the acquired skills / approaches and then strengthening the nodes of the network so that every single part of the network can grow, enriching both itself and the others parts (Giacomini, Chiaf & Mazzoleni, 2016; Mazzoleni & Paredi).

The constitution of a network at different levels would therefore allow to strengthen the relationship of strict complementarity between external opening and local rooting ("emdedness") that would turn into concrete advantages both from a merely economic point of view and with reference to the search for an innovative managerial solution different from the past.

The possibility of facing complex topics of productive/supply/managerial nature bringing different institutional subjects "back to the table" of design and realization, in addition to putting different cultures(and therefore different approaches) in common, might allow to develop relations of integration:

• of technology;
• of production between enterprises;
• between services and industry;
• widespread of know-how;
• of finance between enterprises;
• of society and culture;
• of governance;
• of welfare projects;
• of experiences of involvement and participation;
• of institution;
• of territory on interregional and international scale;

• the creation of network of enterprises equipped with common technological platforms that facilitate the management of relations between the network affiliates and the development of economic activities with the operators of the sector.

Proceeding always for synthesis, the perspectives of fermentation that the collaboration between “different ones” can be highlighted with reference to the phases of analysis of the context of the operation, as the different institutional forms bring with them different approaches, forms and methods of "listening", but they are equally relevant when they lead to the search for adequate solutions on condition that they do not lead to a approval of behaviours and to a sweetening of the values that must remain different in coherence with the institutional forms involved. Therefore, the collaboration between different people is a natural evolutionary moment that the "new" brings with it, provided that the search for innovative solutions does not involve renouncing one's identity / diversity.

8.3 The role of the management

As for all companies, the possibilities of addressing and implementing strategic options is also linked to the behaviours and methods through which managers perform their role. It should be remembered that for a cooperative the soft components, that is its culture, its mission, the vision, the people that contribute on a daily basis to its development and that make it unique are fundamental for the management of the company. The philosophy that supports these components refers to the cooperative principles that are not rules that the cooperatives are limited to respect, but the red thread through which every decision is oriented and which influences every action of these companies both towards the market and with reference to its own management. Each cooperative company "customizes" the principles and models them according to the environment where it operates, in order that the two cooperatives, active in the same sector, in the same market segment and with the same type of products, but different in terms of corporate culture (i.e the mix between cooperative principles and the set of actions, modus operandi and contributions of each member and worker within), will certainly achieve different results (Chiaf & Giacomini, 2009). The competitive advantage will always be connected to the company that will be able to exploit its peculiarities transforming them into strengths. The right balance between what the company is and what the company does is created in this way: this mechanism creates identification and participation and allows the company to exploit the internal levers as a source of an inimitable competitive advantage. However, in the cooperative enterprise, who is able to take these differentiating elements and transform them in strengths? And which instruments are necessary to make the culture become the critical factor of company's success?

It is necessary one figure which has not only the capacity of understanding exactly and sharing the culture of the cooperative, but of identifying its peculiarities, ma is above all able to transform these peculiarities in one winning strategy. The manager is one figure proposed to the company management and person in charge of the methods through which the guide, the organization and the management are expressed. Through its work and conduct, the rules of behaviour and the model of collaboration within the company are defined and the degree of affiliation of the collaborators to the company itself is determined. Consequently, it embodies the ideal and necessary role to bring out the dominant values of the company and to transform them into critical success factors of the same. The cooperative manager has to operate following the so-called "model of the virtuous circle of creating a corporate culture" (Guatri & Vicari,1994) , cause as a managerial and strategic role with managerial responsibilities, the cooperative manager must bring out the dominant values, govern them and direct them towards behaviours able to ensure the success of the cooperative itself. To succeed in this challenge, it must be the engine of innovation, the promoter and leader of the cooperative movement, a guide, an integrator between different drives and, finally, must be the actor and the main support of the participatory process. The style of management that best matches this type of purpose is what is briefly defined as "participatory management" (Chiaf, Giacomini & Mazzoleni, 2013). The cooperative manager who chooses a participative leadership style structures the management of attitudes and communication according to the cooperative principles and the values of the company. Adopting a participatory management style implies being a manager who does not present himself as an autocratic and imposing figure, but equal to his collaborators that participate in the strategic decision-making process and in defining their growth objectives (Mazzarol, Limnios & Reboud, 2013). The participatory manager promotes delegation and supports participatory empowerment mechanisms, having the ability of always being responsible for their own actions and mistakes and intervening to resolve difficulties that cannot be effectively addressed by their own collaborators. The participatory manager expresses and shares the organizational culture and promotes it personally with his attitudes and behaviours. Through participatory style, the cooperative manager improves relations with his collaborators, increases the creativity and productivity of the people who work for the cooperative and generates a strong mechanism of affiliation and recognition. The result of this approach is an organizational environment in which trust and collaboration prevail, where the cooperative ideal is realized, according to which the company is the result of the contributions of the people who work within it and , finally, where the processes of involvement (Solari, 2017) and accountability improve the organizational efficiency with the consequent repercussions on the productivity of the company. Naturally, a great challenge for top management is not to keep this modus operandi in the manager's behaviour towards his direct collaborators, but to spread it to all levels of the cooperative. Today, the soft components of a company are the only source of a true and lasting added value and, consequently, the true source of the success or failure of a company: an entrepreneurial formula whose core is the own people and their own organizational culture, which is impossible to replicate or imitate and, consequently, impossible to overcome. In this sense, the cooperatives have an extra gear, since they are born naturally predisposed to the participation and enhancement of the resources that compose it. Today, these two elements are more than ever indispensable to the formation of an organizational culture capable of fully exploiting the potential of its own resources. It is up to the cooperative manager to identify this latent added value, to make it explicit and to transform it into a winning strategy, thanks to which the cooperative company will be able to grow and succeed.

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Figures

Tables