



# WP.T1\_CONTEXT ANALYSIS A.T1.1 RESEARCH ACTIVITIES

D.T1.1.5 Comparative Analysis on Enterprises Network CGM	Version 1		
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### 1. SO FAR SO CLOSE: THE CRITERIA FOR COMPARISON

On the one hand, companies set up and managed by immigrants, on the other hand companies with a social purpose who are dedicated to integrate disadvantaged people into the world of work. What do they have in common? And what differentiates them? The answers to these questions can be useful not only for a fact-finding purposes, but also to trigger mutual learning processes, useful for strengthening both kind of business. From the activities of the See Me In project and from other researches, it is possible to identify three macro variables presented in the following points, useful to define an analytical framework that includes mission elements and organizational culture, but also more strictly managerial variables, related e.g. to size, legal forms, business sectors, etc.

#### 1.1. Three macro variables to make a comparison

A first element around which activate mutual learning mechanisms between these different entrepreneurial populations concerns the mission pursued. In general terms, work can be recognized as a factor with an impact on **social inclusion**, as a key element both for migrant companies and for wises. In fact, all these realities represent, albeit in different ways, a vector of empowerment and social mobility for groups of population who, in a more or less explicit form, are victims of exclusion and social marginality.

A second element of learning concerns the **production objects and the markets** in which migrant enterprises and wises operate. In both cases there is a prevalent positioning within sectors and markets with low economic and technological added value. This issue can be seen - and in some ways it is - as a weakness, denotes conversely that both are companies with highly human capital-intensive that in the case of companies with a higher content of know-how and technology would probably be excluded. This is therefore a controversial point because on one hand it indicates clear weaknesses of these companies, both in terms of production quality and market position (for example within outsourcing chains), but on the other hand represents an important first step so that weak people can literally embark on a path of professional and human growth.

The last element making the two kind of enterprises different concerns the **corporate form**. Migrant enterprises are, in the majority of cases, individual firms and small and micro capital firms. On the other hand, wises are mostly collective enterprises, set up on a cooperative basis. This is a substantial difference, because the cooperative dimension represents an element with a "protective nature" that helps in getting stronger inclusion processes compared to micro enterprises which are "monads" and therefore less predisposed to setting up networks with functions of coordination and, in a broad sense, protection. For this reason, in the following paragraph will be proposed some learning about networking, by looking at what migrant enterprises can learn from wises.





#### 2. LEARNING COMPONENTS RELATED TO NETWORKING

The network dimension is often shown as an element of "added value" for any business activity. The ability to develop connections with other subjects, based on collaborative exchanges allow businesses to better develop their activities, at different levels:

- The representation of interests in the social dialogue with public institutions, trade unions, civil society, other groups and business types;
- broadening and strengthening of the presence in the markets also for medium-small sized companies that cannot develop a global dimension on their own;
- management of production processes through industrial district mechanisms that allow the creation of complex products and services that a single business reality would not be able to achieve on its own;
- realize innovation of products and processes thanks to openness to different actors -including competitors- interested in operating with an "open innovation" approach, creating "ecosystems" of dedicated resources.

#### 2.1. Peculiarities of Wises networks

Networks represent a different model of relations regulation, based on "cooperative" principles that are present not only between organizations explicitly oriented to a social purpose, but also in small and big enterprises. For this reason, it's interesting investigate the distinctive elements that characterize wises in networking and finding the aspects that could be useful also for migrant companies that often experience a situation of "solitude" within their context of reference. Looking at the networks between wises, the following peculiarities can be highlighted.

- A first element regards the identity of the networks. In fact, wises are characterized by the same mission and a particular organizational and governance structure; many wises networks were born with the intent to aggregate entrepreneurial realities with the same nature. This nature concern the legal and cultural aspects. It was and still remains important to represent and coordinate wises, in order to reaffirm their peculiarities towards different interlocutors and contexts: other types of business, public or non-profit organization, as well as within the markets where wises work, in order to underline the distinctive value they can create.
- A second element that characterizes wises networking concern their supply chains: in terms of goods and services, but above all the pathways to work, put in place for the disadvantaged people. From this point of view, new districts are growing; they are characterized by the presence of different actors engaged in co-production of goods and services -especially in some fields such as the circular economy-and in job placement management. For example there are regulatory provisions allowing the creation of partnerships between for-profit companies and wises; these partnerships are based on the exchange of economic activities and people access to employment -persons otherwise excluded from the market.
- Finally, a third element consists in a still embryonic but promising network modality, that is, the tendency of wises to regenerate local economies, acquiring enterprises or business branches that, for different reasons, are no longer able to continue with their activities (for example because they are in crisis, or due to the need for a generational change). It is a peculiar way of networking that responds to a twofold need; firstly differentiate their activities and markets to be more sustainable in entrepreneurial terms and to be effective in multiplying the opportunities for job placement.

Secondly, to ensure a cohesive social development, contributing to the resilience of territories that often experience situations of unease and social disruption.

In summary, the networking methods of social enterprises highlight some learning elements which, at least in part, can be useful for migrant companies. The latter, in fact, even though they cannot leverage a





particular legal status such as social enterprises, they can anyway play an important role, entering the supply chains, especially in those that work with production with an high economic and cultural added value. Just think, for example, of the presence of migrant enterprises in the agricultural sector, its production, its transformation and food sector. Qualifying their presence through network models that certify their quality at different levels - job protection, acquired skills, compliance with production and environmental standards - can generate a win-win effect, that is, positive for migrant enterprises and for the supply chains they make part.





# 3. A POSSIBLE MEETING POINT: THE COOPERATIVE PLATFORM

Finally, a comparative analysis between migrant enterprises and wises reveals a possible evolution of wises so that they can play a supporting role for entrepreneurial experiences launched and managed by migrants. This evolution is based on the adoption by social enterprises of a platform model which is based not on internalising all the production processes and the related production factors (and costs), but rather on the possession of infrastructures and other assets (also intangible like skills) capable of enabling widespread (not only migrant) entrepreneurship as a path of mobility and social inclusion, even outside the organizational boundaries of the social enterprise. It would therefore be a matter not only of incubating new entrepreneurial realities, but of building business models also for the maturity phase of these initiatives based, as for digital platforms, on accessibility to resources and technologies that allow to create further economies capable of generate value for both those who undertake and those who manage the platform. This method - achievable for example through a network of independent food trucks that "feed" on the production and laboratories managed by a wise - could allow migrant companies to count on stable support for their business and for wises to diversify their economies and their inclusion paths without becoming too heavy in management terms.

This "platformization" process could also derive not only from change management processes of social enterprises, but also from networks of migrant companies that intend to have a common infrastructure that allows both to improve the quantity and quality of production, and to to emancipate itself from intermediaries with respect to which they are in a situation of subjection (for example in the chains of outsourcing). It should be remembered, in fact, that the platform mechanism is not new but is clearly visible in the long-term history of cooperation, for example in the agricultural field. These cooperatives, in fact, were born as a network of micro family businesses which, in order to strengthen and become autonomous from the networks of intermediaries, equip themselves for this purpose with technological transformation infrastructures and commercial networks that allow them to consolidate and "scale" their businesses.

#### 4. BIBLIOGRAPHY

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