Realities and challenges of social utility and social utility indicators for social solidarity organizations

Christelle PERRIN[1], Manel BENZERAFA[2]

Abstract: This research focuses on the realities and challenges of social utility evaluation and the use of socially indicators over a territory. We aim to highlight the processes leading players to identify and evaluate their social utility, and to present the main issues in terms of territorial governance.

Key-words: Social and solidarity-based economy, Social utility evaluation, Social Indicators, Management, Governance.

Réalités et enjeux de l'utilité sociale et des indicateurs d'utilité sociale pour les organisations sociales et solidaires

Résumé Cette recherche vise à mettre en évidence les processus qui conduisent les acteurs de l'ESS à s'engager dans l'évaluation de l'utilité sociale (ÉUS) mais aussi à en présenter les principaux enjeux qu'ils soient affichés ou non dans le cadre d'une gouvernance territoriale.

Mots clés : Économie Sociale et Solidaire, Évaluation de l'utilité sociale, Indicateur d'Utilité Sociale, Management, Gouvernance.

Introduction

In France, the Ministry for the Economy and Finance (*ministère de l'Économie et des Finances*) defines the social and solidarity economy (SSE) as being a "body of undertakings organised in the form of cooperatives, mutual societies, charities and foundations whose internal operation and activities are based on the principle of social solidarity and utility"[3].

The concept of social utility (SU), on which our research focuses, is a feature of these SSE organisations and sets them apart from other types of organisation, especially profit-making organisations. It legitimises their position in a field where the borders are becoming increasingly porous between organisations.

Although it originally had distinct legal and tax connotations, which were subsequently supplemented by socio-political approaches, this concept is only of value if we can measure its impact in a given geographical area. Thinking along these lines led us to examine the place of social utility evaluation in a geographical area.

The objective of this project is mainly exploratory in nature. It aims to shed light on the realities of SU evaluation and the use of SU indicators in the field. A topic as vast as this raises many questions. Rhetoric aside, why do social and solidarity organisations (SSOs) embark on the introduction of social utility indicators, to what end and for whose benefit?

[1] Maître de Conférences, Laboratoire de Recherche en Management LAREQUOI ISM- Université de Versailles St-Quentin en Yvelines, 47 Bd Vauban, 78047 Guyancourt cedex. Tel : 01 39 25 55 34
Contact : christelle.perrin@uvsq.fr
[2] Maître de Conférences, Laboratoire CEROS – Pôle Management identité Légitimité, Université Paris

Ouest Nanterre La Défense, 200 avenue de la République, 92001 Nanterre cedex
Tel : 01 40 97 91 77 Contact: mba@u-paris10.fr

[3] A fuller definition is given in article 1 of law no. **2014-856 of 31 July 2014 on the social and solidarity economy: http://www.legifrance.gouv.fr/affichTexte.do?cidTexte =JORFTEXT000029313296**

To try and answer these questions, we focused on indicators of social inclusion by economic activity adopted by charities for which this is their *raison d'être* (see above). The approach adopted by the organisations studied requires methodological support by an expert and is duly documented (methodology guide, case study, etc.). This approach is struggling to find wider acceptance, however. In carrying out this research we drew on the findings of social utility projects and on performance indicators.

We are thus looking to highlight the processes whereby SSE (Social and Solidarity Economy) player undertake social utility evaluation (SUE), and also to present the key issues, regardless of whether they are applied as part of regional or local government.

Firstly, in part 1, we outline SU and the principal assumptions underlying SUE thinking and social utility indicators (SUI). In part II we set out the key findings of an on-the-ground investigation so that we can identify the aims and the realities of SUE. The third section covers the principal issues relating to SUE and what it offers in terms of projections.

1. Defining social utility

1.1. Legal, regulatory and tax aspects of the social utility concept

The concept of social utility remains somewhat vague, and difficult to pin down. While everyone can grasp that an organisation can be genuinely useful and have an impact in the field, coming up with a comprehensive definition is tricky. Therefore, researchers see it more as a series of effects on the economy and on society (Gadrey, 2004). That said, any organisation has an impact on the economy and on society. That is why these social and solidarity organisations are regulated by legal and tax frameworks that set them apart from, for example, profit-making organisations.

Several legal and tax conditions determine whether an organisation is operating in line with the concept of social utility. From the 1970s onward, they have been defined in various tax directives[4]: i.e. non-profit-making, not-for-profit management and reinvestment of operating surpluses, which demonstrates that Social and Solidarity Organisation projects contribute a general social benefit that is not in competition with one or more companies in the profit-driven private sector. As a result, they have been assigned a specific tax status.

The services that these organisations are required to deliver must primarily target persons whose economic and financial status prevents them from obtaining such services in the market. These services are therefore priced at a level below what is on offer in the market. Lastly, SSOs must not advertise, other than through fundraising drives and to publish information for the benefit of SSO beneficiaries and partners.

The focus of the SSE debate is gradually moving away from this 'tax-based' view towards an appraisal of the operating methods of these organisations.

1.2. Organisational and socio-economic approach to social utility

In 1995, France's charities commission the CNVA (*Conseil National de la Vie Associative*) suggested other qualitative criteria, in addition to those defined below, for defining an SSO. It emphasised democratic operation, the primacy of the project over the organisation itself, and the existence of official authorisation.

In 2000, the Lipietz report suggested that there are three dimensions to social utility: ecological utility, social utility as "action in favour of the poor", and social utility in terms of the "social halo effect" (creation of social ties).

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[4] See the Council of State order of 30 November 1973 on the "clinique Saint Luc" case, which marked the beginning of the tax law framework for SSOs, the tax directive of 27 May 1977, which officially recognised the concept of social utility, and that of 15 September 1998, which stipulates not-for profit management of an SSO.

The Gadrey report (2004) went further by identifying five social utility themes: social utility with a predominantly economic component; equality, human development and sustainable development; social fabric and local democracy; the contribution to social, economic and institutional innovation, and "internal" social utility with potential "external" knock-on effects.

Lastly, the law of 31 July 2014[5] further extended the weighting of SSE organisations, which now account for 10% of GDP and 2.3 million employees. This law also introduced "solidarity and social utility company" accreditation in the employment code, and numerous other items on the legal status and corporate structure of SSOs.

1.3. Social utility, a concept in search of consolidation

The concept of social utility is at the conjuncture of several issues (Trouvé, Jolivet, 2009). It raises questions about how the public, private and social spheres overlap. It raises issues about regulation models in the field, which are based at times on both market and social forces. Public and private players must therefore identify the activities that are subject solely to market forces, those that are a half-way house between market and social regulation, and those based exclusively on a public service rationale. The lines between social, public service and commercial rationales are becoming increasingly blurred, often requiring the cooperation of all involved if sustainable economic development of the region or locality is to be achieved.

Trouvé states that looking beyond a clear and unanimous definition of social utility, it can be viewed on three levels: the institutional level, which refers to the associated standards and procedures, the identity level, which legitimises the players' positions in a given region or locality and their recognition, and the axiological level, which brings together all the players and their different expectations around common values.

In practice, the content of social utility is the product of a social construct at any given time. It depends on relations between the public authorities and the various stakeholders in the SSE. It is the changing relationship between public authorities and charities, especially contractual relationships (government tenders and subsidies), the reduction in the number of participants as a result of decentralisation and European pressure on the definition of Social Services of General Interest (SSGI) that have brought the theme of social utility evaluation to the fore in recent years.

1.4. Evaluating social utility

According to Gadrey and Jany-Catrice (2012), a society that attributes value to these collective benefits must also agree to set aside public resources for them[6], at the same time requiring the organisations that benefit from these resources to account for their activities, not only in financial terms but also in terms of the social utility produced. Hence the need to evaluate actions in terms of their social utility. For SSE players, evaluation constitutes more of a necessity as it involves obtaining recognition for and enhancing the production of specific social utility (Parodi and Manoury, 2007), production that is broader in scope than that evaluated by the purely quantitative evaluations to which they are subject, especially by public authorities.

Gardin et al. (2014) summarise the consequences of evaluating social utility in four ways: 1) the introduction of a negotiation-based, constructive relationship between public institutions and SSE players; 2) the resumption of the evaluation process by SSE players as the sole stakeholder in order to limit the radical uncertainty that characterises their economic context (falling public support,

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[5] http://legifrance.gouv.fr/eli/loi/2014/7/31/ERNX1315311L/jo/texte

[6] This is the case for subsidies, miscellaneous tax breaks, the possibility of using subsidised labour, etc.

regional reforms, outsourcing of public services, the State's legitimacy crisis, etc.); 3) the amalgamation of sectoral policies for the sake of general consistency in government action[7]; 4) reviewing the evaluation of social utility for better concertation between players. This concertation process may underpin concertation for drawing up other public policies that are more respectful of citizens and the environment[8].

Although it is often presented as an interactive approach, social utility evaluations can take various forms (self-evaluation, co-evaluation, joint evaluation process) and use several methods (monetarisation, surveys, concertation, etc.). It results in the establishment of a "social utility indicator" (SUI).

SSE players are thus, like any other organisation, not exempt from the widespread trend for introducing tools derived from private, goal-based management driven by a results-oriented culture, such as indicators (since the promulgation in 2001 of the administrative accounting law (*loi organique des lois de finances* - LOLF) government offices have been required to include indicators in projects and annual performance reports) and domains (corporate, social and environmental responsibility, which is experiencing a strengthening of companies' obligations and the obligation to publish outcomes in the form of indicators, *inter alia*) that were not previously concerned by these tools.

1.5. Reasons for and conditions of the implementation of SUI by SSE players

Apart from legal imperatives that encourage SSOs to introduce social utility indicators (SUI), other factors are contributing to their emergence. On one hand, SSOs are adopting quality processes and performance enhancements as part of organisational

rationalisation. On the other hand, SSOs are dependent on the stakeholders with which they work, whether from a financial or ideological point of view, and are accountable for their actions. Lastly, they have to proclaim and prove their legitimacy in the field. Interest in evaluation is growing, and SSE network players such as COORACE are documenting and offering methodologies intended to help SSOs with the introduction of SUI. Would it be true to say, however, that these SSOs are subject to a certain isomorphism?

Research by Barman and MacIndoe (2012) demonstrated that the introduction of indicators depends on the organisation itself rather than on the institutional pressures to which they are subject. They see the willingness to put such indicators in place as being based on several criteria: the SSO's organisational potential, existing procedures already implemented, for example through rules, values and standards, the presence of personnel qualified to put these SUI in place and also the organisation's "capability". "Capability" means the amount of effort required, measured by the differential delta between the current situation and what the SSO would like to achieve. The introduction of indicators is often a long and costly process.

The authors also demonstrate that putting SUI in place is not conditional on obtaining public funding. They claim there is no real pressure from public funding bodies to introduce evaluation processes; Trouvé and Jolivet (2009) contradict this, however, pointing out that evaluation is often imposed by the funding provider and is carried out in accordance with the regulatory definition[9], i.e., by comparing the outcomes with the targets set, especially in the field of social inclusion by economic activity. Other criteria influence these organisations in terms of what motivates them to start developing indicators: For example, the organisation's age (young organisations looking to prove themselves are more willing to embark on the process), and

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[7] The authors cite, by way of example, the debate on the social utility of food, which logically leads to discussions between the economy, agriculture and consumption, and so on (and therefore the players and services that are involved in them).

[8] The feedback we have been able to gather on the ground leads us to moderate the content of its findings (see below).
[9] (decree of 18 November 1988)

dependence on the environment (philanthropic organisations that have to constantly provide evidence of their activities to donors). In other words, SSOs introduce the use of indicators for purely individual reasons specific to each organisation.

However, once the issue of embarking on such a process has been raised, the issue of defining the indicators arises: for whose benefit, for what purpose, and for what performance?

All the specifics reside in these organisations, which are heterogeneous, hybrid in nature and multidimensional. Defining these indicators on the basis of a single target to be achieved is thus becoming increasingly tricky. That is why Trouvé and Jolivet (2009) state that the attraction of indicators resides not so much in the associated evaluation as in the relations that they can consequently forge with the various SSO players. The attraction of introducing indicators thus resides more in the process itself than in the pursuit of a result. This process entails redefining the organisation's strategy based on the mission assigned to it.

1.6. Evaluation of social utility: accountable to whom?

Evaluation of social utility then raises the question: to whom are SSOs accountable, and in what way? Even if an SSO perceives a certain value in introducing indicators (associated with a quality policy, as a way of reviewing its strategy and priorities, etc.) it is nonetheless true that they are also useful for reporting to stakeholders on their activities, thereby helping to assert their legitimacy (Williams and Taylor, 2013). However, this obliges SSOs to identify the stakeholders to whom they will be accountable and obligated. What is more, there will be as many objectives as there are stakeholders, which explains why it is so difficult to accurately define single indicators. SSOs are thus not interested so much in the indicators per se, as the fact that these indicators constitute a medium for communicating effectively with stakeholders and asserting their legitimacy. This therefore

entails knowing their stakeholders well and taking an interest in their expectations (Edwards et Hulme (1996), Najam (1996)). Barraket and Yousef [for] (2013) point to the fact that this inductive methodology is preferable to one that consists in communicating only on the results of the indicators, irrespective of the stakeholders' expectations.

However, Williams and Taylor (2013) state that accountability in this type of organisation is not only a two-way process, but is multi-directional as well. Accountability can be bilateral in terms of the SSO's financial dealings with its funding bodies, and also vertical, short term and long term. Accountability can be seen as a strategic vector (Brown and Moore, 2001). Accountability in non-commercial organisations is rarely perceived solely in the light of a core vision. For Williams and Taylor (2013), accountability must be perceived as part of a holistic accountability approach in which all the stakeholders' expectations must be considered, together with the corresponding impact, expressed through a set of rules, values and standards. We might therefore conclude that it is the synergies between all these players, which are going to be a source of performance, innovation and therefore value creation with the aim of creating meaning around social utility in a given region or locality. It is in this context that the trust mechanism comes to the fore.

We would like to explain all these contributions through a case study that we carried out involving SSE players. In the next section we present how this case study was undertaken.

2. Evaluating social utility: between ambition and reality

Through our involvement in the social and solidarity economy, we met and discussed with social and solidarity organisations, in particular regarding their desire to introduce such evaluations. We wanted to find out more about these initiatives, to ensure that we did

not treat them as sacred cows. This research, which is exploratory in nature, sets out to present the various facets of social utility evaluation in order to shed light on the realities of the process and also the underlying issues that these SSO may exploit. In this section, we present the plan for the research, our methodology and the main players we met. We then present our main findings, which will be supplemented in the next section by the issues identified.

2.1. Research plan and methodology, presentation of the players

To understand the reality of the evaluation process, we met with several players with varying profiles (see table 1). We held a series of semi-structured interviews with the players

presented in the table below. These interviews, of between two and three hours in length, were structured according to a guide comprising five sections: origin of the SUI, content, creation process, operation and SUI & regional or local government.

We limited the scope of this study to the upstream phase. For the time being it is not be possible to work on the impact of the evaluations performed as the SSOs do not have sufficient hindsight to provide these, for the reasons explained below. This may be the subject of future research. In addition to the interviews we held, we also drew on an in-depth analysis of the documentation available on the subject (methodological guides, SUI repositories, evaluation reports, summary sheets, etc.)

Table 1 : Persons interviewed

Organisation	Person met	Role in the SUE process
AIDER An SSE company	**Isabelle Drianne-Lemaire**, Chief Executive, AIDER	Has recently introduced an SUE process
COORACE National Federation for the social and solidarity economy	**Anne-Claire Pignal**, Head of social research and innovation	Supervisor of the SUE system at national level
Culture et Promotion Consultancy firm	**Hélène Duclos** Consultant	Promotes the design of the methodological SUE process with SSOs
CRESS LR *Chambre Régionale de l'ESS Languedoc Roussillon*	**Benoît Holley**, Head of SSE at CRESS (regional SSE chamber)	Involved in SSE projects as regional representative
Region Languedoc Roussillon	**Laurent Bastide**, SSE network manager	Involved in SUE work and the introduction of SUI

AIDER[10] is a Social and Solidarity Company with charitable status that places vulnerable persons with companies, local authorities, charities and individuals in various types of work: cleaning, manual work, contract catering, landscape gardening, minor building work, etc. This organisation's missions and values focus on supporting and respecting the person in their personal career, contributing to the local socio-economic fabric and satisfying the needs of principals and clients. AIDER is a member of COORACE (France's federation for

the social and solidarity economy) and has adopted CEDRE (specific to SSO) and ISO quality processes. Its Chief Executive, Isabelle Lemaire, has finalised the implementation of its social utility indicators.

COORACE is a federation and network of SSE players. It brings together over 500 active organisations located throughout France and aims to provide SSOs with support for any problems relating to their activities. COORACE offers its members a SUE process and provides support for implementing SUI.

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[10] Source: AIDER website: http://www.ass-aider.fr

COORACE works with the consultant Hélène Duclos, a political and social sciences educator and a member of Culture et Promotion (C&P), a national education charity[11]. Hélène Duclos has been identified as being a key player in the provision of support for the implementation of SUI. We have drawn on their work, which is documented in guides and examples available online.

We also interviewed Laurent Bastide at the CRESS (*Chambre régionale de l'économie sociale et solidaire*), a stakeholder in the drive to introduce indicators, and lastly, a local authority player, Benoît Holley, representative of the Languedoc Roussillon region, who took part in preparations for the introduction of SUE and who shared with us his views on this subject.
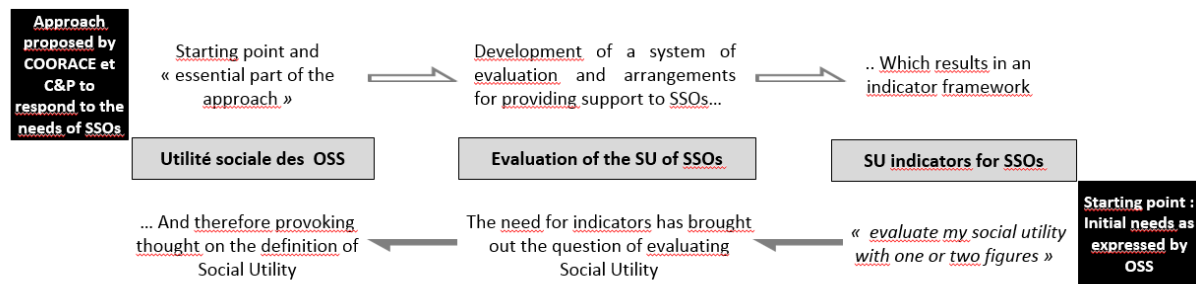
Our main findings initially shed light on the SUI implementation process (from development through to measurement), before discussing its various facets.

2.2. SUE implementation process: from development to measurement

2.2.1. Development

We have identified two scenarios from which the implementation of SUE develops. First, it is at the root of general discussions about social utility held by SSE players with the ultimate aim of a framework of indicators, and second, it results from the need for SSOs to find out how they can demonstrate their social utility on the ground.

Figure 1 : Development of the indicator implementation process

This process began in the 2000s, under the impetus of several SSE players who expressed the need to demonstrate their SU through indicators. This need was behind the work carried out mainly in the culture sector, initially by C&P on its own and subsequently in collaboration with COORACE in 2011 and 2012. The federation's objective was to "*demonstrate that our approved Social Inclusion by Economic Activity companies played a far broader role than mere socio-professional inclusion*" and were acting as "*developers in the solidarity field and/or contributors to a new economic solidarity development model in France*". And yet, these

players claimed to have problems identifying and making the most of their SU: "*...they were already struggling with socio-professional inclusion, so going beyond that was even harder*". The idea thus emerged of offering an "attractive" process, through providing support at all stages of the process of which we present the characteristics.

2.2.2. ...of interactive, well-supported self-evaluation...

The process proposed by COORACE and C&P is presented as self-evaluation[12] carried out by

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[11] The process has been developed over the last ten years. All of our contacts cited Hélène Duclos as a key player in the process. She has designed and implemented [...] at several

organisations in France and abroad http://www.tfconsultant.fr/nous-sommes/helene-duclos.
[12] For convenience we will use the term social utility evaluation (SUE).

the organisation at its request[13]. It involves all stakeholders in the evaluation process. This process is supported by an external third party that plays the role of observer, contributes methodological expertise and is directly involved in certain aspects (such as the creation of the SUI framework) (Avise, 2007).

The first and most important step in this process concerns a review of SUE issues at a joint session run by an external support provider, bringing together all the players concerned as well as all the internal and external stakeholders involved (management and members of the organisation, volunteers, users, elected and administrative public authorities, technical partners, funding bodies, etc.). This work resulted in a joint definition of social utility. This conjuncture of various points of view aims to identify the different social utility registers (see below) of the entity or the sector of activity. These registers will then be expressed as evaluation criteria (see below) from which the indicators are defined.

The definition of indicators usually relies on existing systems in place at the organisation so as not to add to the employees' and volunteers' workload and the processes. This joint creation process can take up to two years, but accelerates the organisation's learning curve through regular discussions.

2.3. … that results in a measurement system

"*Charitable organisations must not expect the public authorities to define their measurement criteria unilaterally. They must anticipate and define their own evaluation criteria*" (Avise, 2007). SSOs make use of the media and support made available to them to define these SUI, either on their own initiative or under the more or less explicit impetus of their funding bodies, whether private or public.

The phenomena measured can be read on three levels: registers, criteria and indicators:

- **Registers** are the dimensions of contributions to the region or locality that the company wishes to promote. These are families of criteria.

- **Criteria** are specific characteristics selected for observation during the evaluation process. They are constructed by describing the registers of social utility.

- **Indicators** are "measuring instruments" for evaluating the criteria. They can be both qualitative and quantitative. There are three types of indicator:

    - *Realisation indicators* measure what has been done and how, i.e., the activities and practices implemented to realise an action.

    - *Outcome indicators* measure what that produces, i.e., what the organisation produces at the end of its action. The outcomes are directly attributable to the organisation's action.

    - *Impact indicators* measure what the company contributes to, i.e., the consequences attributable to the company's actions, but which may be influenced by external factors. Such impact may be desired by the organisation or induced.

A causal link is assumed, but not demonstrated, between the three types of indicator. A fourth category of indicator, known as "contextual indicators", may be added. The aim is to review the results of the evaluation in their local context and adjust their significance accordingly, if appropriate. All of these items together make up the *SUE framework*. The collection source or tool is described, to ensure that the indicators chosen are accessible. The table below shows this framework. This is an abstract from the charity AIDER's social utility evaluation framework.

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[13] At the moment there is no French or European institutional provision that imposes this type of evaluation or determines its content.

Table 2 : Abstract from the charity AIDER's SUI framework

Register	Criteria	Realisation indicators	Outcome indicators	Impact indicators
Economic Alternatives	Cooperation	Number of bodies and working groups in which AIDER participates in France	Number of partnership agreements signed	Number of actions undertaken under the aegis of AIDER
	Strengthening of CRS	Number of programmes for informing/canvassing companies on CRS	Number of partnership agreements signed	Number of companies contacting AIDER due to CRS
	Consideration of the environment	Partnerships put in place as part of environment-focused Home Care (maintien à domicile - MAD)	Number of partnership agreements signed	Number of MAD generated/number of jobs created
	Change in representation on the IAE	Number of bodies and working groups in which AIDER participates		Number of external requests for AIDER to act as a witness
	New models	Number of news items on AIDER as a new economic model		Number of requests from new clients or partners as a result of AIDER's status as a new model

It is commonly accepted in management control that an indicator is only of value if it involves achieving an objective. The objective is supposed to express the ambition or strategic direction that an organisation has chosen or that has been dictated to it. However, the notion of an objective as such is absent from this evaluation basis. This basis is presented as having been designed "*to offer an alternative view from that of an evaluation of effectiveness*". This is self-evaluation, whereby players themselves select the criteria by which they wish to judge their social utility. It is therefore extremely difficult to draw a conclusion about the pertinence of these choices. Add to that the fact that the vague and generalised formulation of the criteria makes it impossible to discern a global or register-focused action strategy. As in the example above, the criteria may be completely heterogeneous and located at different levels (internal process, key success factor, economic model, etc.) with no causal link between them.

In terms of indicators, the idea of measuring impact on several levels (direct and immediate impact, through to indirect long-term impact) is both interesting and realistic. We nevertheless observe the restraint and relative pertinence of the indicators in comparison with the nature of the phenomena measured. We thus see, in the abstract from the framework shown above, that the "Number of partnership agreements signed" indicator alone is intended to measure the outcome against three criteria that are both broad and ambiguous, namely cooperation, strengthening of CRS and consideration of the environment.

The choice of mainly quantitative indicators for measuring impact is not a general rule. With other SSO we have observed the use of more qualitative indicators such as "self-confidence" and "skills enhancement" in the jobs field.

2.4. Different facets of the introduction of SUE

We have drawn several conclusions as regards the introduction of the SUE process.

2.4.1. Varying involvement of internal and external players

Involvement in the SUE process depends on the extent to which players are committed to the evaluation project. This level of commitment can vary significantly within the same category of players, depending on whether the project is being run by the entity itself (or a group of entities) or it is perceived as an obligation imposed upon the SSO by their funding bodies.

In the case of work carried out on SU and its measurement, by the Chambre Régionale de l'Économie Sociale Languedoc-Roussillon (Cress LR) between 2005 and 2008, it was the SSOs themselves that were behind this process. These SSOs were operating mainly in the field of economic social inclusion and were somewhat dissatisfied with the purely quantitative evaluations imposed upon them, especially by the public authorities: *"Public authorities evaluate us only in terms of the number of employees on social inclusion schemes returning to work (for which the government sets a target in terms of % of active exit)"* The players regarded this indicator as very restrictive because it failed to take into account everything that they were achieving, especially given the increasingly difficult employment environment, and the fact that the persons on the scheme were increasingly excluded from the job market, etc. *"This assessment did not take into account what the players were doing in terms of social rehabilitation and restoring self-confidence. The public authorities are completely unaware of all these more qualitative aspects. So they were not satisfied with a purely quantitative evaluation method".*

Scope of the project run by CRESS LR

This process involved almost thirty SSE organisations in two *départements*:

In 2007, in the Gard, with 10 charities, 2 cooperatives and 1 mutual:

In 2008:

- in the Eastern Pyrenees, with 4 charities and 2 cooperatives:

- in the Gard, with 7 charities, 1 cooperative and 1 mutual.

At the same time, a technical committee was set up, bringing together members of regional SSE flagships, with a two-fold objective:

- monitoring the work done and determining to what extent it corresponds to their own concerns;

- taking into account the specifics of each network, both in terms of the areas of activity covered and the types of company considered.

However, although public authority representatives (decentralised government departments and local authorities) contributed to the drawing up of a SU framework that was collectively approved by the players, they did not include these criteria in the traditional evaluations. *"The public authorities came to our meetings because they were interested, and because they were monitoring these organisations, so they are interested in everything they can do, and yet they didn't take this into account in financing, for example. So for the organisations themselves the issues and the attraction were limited. They were not sufficiently motivated to embark on a complex process, etc.".*

2.4.2. Political backing for SU/SSE

At government level SSE is linked to two entities, although the links between the two are not clear: on one hand the Social Cohesion Department, which reports to the Ministry of Social Affairs, Health and Women's Rights, and on the other hand the State office responsible for Trade, Craftsmanship, Consumer Affairs and the Social and Solidarity Economy, part of the Ministry for the Economy, Industry and

Digital affairs[14]. This duality is also visible in terms of the management of instruments in SSE. While the Social and Solidarity Economy law of 31 July 2014 is backed by the State office, programme *no. 304* in the government budget, called *"social inclusion and protection of persons and the social and solidarity economy"* of the *"Solidarity, social inclusion and equal opportunities"* mission falls within the remit of the head of the Department for Social Cohesion. In terms of political communication, there is a special SSE web portal on which actions pursued by the secretary of State can be monitored.

The term 'social utility' appears only once in the strategic presentation of the 2015 Annual Performance Project (APP), in programme 304. The text underlines the importance of this sector, which is considered to be *one of the most promising growth sectors* given the issues it represents in terms of being a *locally-based, cohesive, job-creating economy that meets social needs on the ground*.

In terms of spending, action 12 of programme 304 has been allocated EUR 4,722,000[15][16], earmarked, *inter alia*, for supporting the development and structuring of the sector, encouraging the emergence of new economic growth models, drawing on the innovative capacity of charitable, cooperative and mutual institutions, and encouraging experimentation in line with the European guidelines on social entrepreneurship. However, these goals, which were announced as part of the strategic presentation of programme 304, did not correspond to any "named" objective or indicator (by author and year) that would have confirmed the government's commitment to this sector.

2.4.3. A flexible process that nonetheless constitutes a burden for smaller organisations that lack the relevant skills

Like any management instrumentation process, SUE is a complex process that demands considerable resources and time. One of the process' key success factors resides in the fact that it has been designed and implemented as a comprehensive package that includes methodological support throughout the process, including analysis of outcomes. The challenge then lies in the operation of the process by the members of the entity, who are often in part discouraged by the workload involved in populating the indicators.

The answers given vary enormously: opting for a gradual process *"there are some things that we won't go into too deeply, and others that we will work less on. But at least we will be able to produce analyses of all the SU criteria that have been identified";* scaling back the scope of the project to match the SUE process to the company's resources: *"we try to adjust the target level to actual resources. Nor are we looking at LOLF-type indicators with a description that run to half a page"*; sharing experience across a network.

However, in addition to workload, which is a classic and recurring bugbear, it is sometimes the SUI themselves that are at issue, and even the use of the data collected by the SSO: *"we worked with the activity and jobs cooperatives network on measuring SUI, but we have a long way to go". We made progress on a few indicators but it remains highly unsatisfactory in terms of measurement and what that might show. It was difficult to make use of the results obtained, especially on qualitative indicators.*

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[14] SSO can also have contacts in government, depending on their field of activity (e.g. the general employment and professional training board (*délégation générale à l'emploi et à la formation professionnelle* - DGEFP) and the regional companies, competition, consumer affairs, labour and employment departments (DIRRECTE). For some it is the Ministry for the Environment, for others the Ministry for Culture, and so on).

[15] The government's cost analysis accounting system is unable to confirm this amount or trace back all the credits allocated to [this] sector.

[16] 0.0017 of the total credits under programme 304, excluding item 2 staff expense, but with no further details of the exact nature of these credits. And 0.005 of the total of the credits destined for the traditional economy if we consider only programme 134 *"Development of companies and tourism".*

However, the support providers all agree that *"SUI have certainly not revolutionised the way we do things. They merely confirmed a number of things that we already knew intuitively. Measurement has helped us to objectivise and confirm our intuitions"*.

This observation explains the low take-up of these indicators by SSOs. In the absence of precise figures, COORACE estimates that about a dozen of its 500 members have embarked on the process. Including non-members, the number is 20. There is another possible explanation specific to the SUI, relating to the complexity of exploiting the phenomena being measured.

2.4.4. Difficulties accentuated by the complexity of the phenomena to be observed and measured

The basis of the SUI includes a large proportion of so-called qualitative indicators that measure or attempt to measure intangible, vague, shifting phenomena that have no existing definition (e.g. off-market social values, surplus solidarity, self-confidence, etc.). We encounter the same difficulties when it comes to introducing organisational learning indicators on projection dashboards or the Balanced Scorecard of Kaplan and Norton (Benzerafa, 2007); Oriot and Miniaszeck (2001)) or when defining socio-economic indicators, especially for annual performance projects (Boussard and Loriol (2009), Brunetière (2010), Eyraud & al. (2011)). Moreover, these indicators are not "combinable", nor do they give an overall arithmetic evaluation of value creation (Poincelot É., Wegmann G., (2005)). These characteristics mean that SUI cannot be used as such in a comparative view, as the definition of a particular phenomenon may differ from one SSO to the next in a given sector and a given region or locality.

These difficulties are overcome during the setup phase through methodological support for developing specific measurement scales with the aim of agreeing on a single definition of the phenomena. But they reoccur during the operational phase due to the complexity of the input mechanisms *"It is reassuring to have databases and figures. It isn't always possible to do interviews. Recognising that users on the ground have something to say and that what they say has a value, perhaps as much as a figure, cannot be taken for granted."*

3. Going beyond the constraints, the multiple challenges of social utility evaluation

Starting from the observation that take-up of the introduction of SUI in the field of SSE remains very fragmented and depends only on the willingness of certain parties, it is not unreasonable to ask whether the adoption of such processes, considered by some to be restrictive and bureaucratic, is really necessary. With regard to the interviews held, especially with SSOs, we did however identify a number of issues relating to the use of SUI, not as an end in themselves, but rather as a tool for promoting SSOs on the ground.

3.1. SUI, a tool for creating meaning together

By implementing SUE, an SSO can analyse its strategy and clearly define its missions and the values underlying their organisation. The thought processes involved in the introduction of SUI contribute to collective learning and the exchange of points of view between employees, directors and partners as to the meaning given to the actions carried out by the organisation.

According to Anne-Claire Pignal, "even if it is true that players (SSE but also partners) initially pay attention to indicators, focusing exclusively on SU indicators makes it difficult to shed light on the real gains sought (and maybe observed) by the players in an SUE process: SSOs embark on this sort of "supported self-evaluation" primarily in order to enhance their contributions, and also to improve their management and to get their stakeholders on board. Like qualitative data, once the stakeholders have identified the organisation's various contributions on the

ground, indicators are just one way of performing an evaluation, obtaining an analysis and sharing it with the players in a given field".

3.2. SUI as a communication tool

Once a strategy has been clearly defined, SUI can act as a communication channel that targets the SSO's various stakeholders. But, as I. Lemaire points out, this communication is tailored to each partner's requirement. It is more a matter of sparking off a discussion on the social utility of the partnership than merely announcing the raw results of the evaluations. Because, even if a partnership entails putting contracts in place, it is in the course of communication and discussions that a relationship of trust is forged. This relationship is particularly important for charities, on the whole, as it is based on shared values and standards rather than exclusively financial criteria (Perrin, 2013).

3.3. SU as a starting point for further cooperation in the field

It is thus as a consequence of these links and synergies, created and strengthened between the players, that innovative and constructive practices can then develop. The charity AIDER is a good example of this. This charity, which places vulnerable persons with local authorities, companies and individuals, has decided to link up with a temporary employment agency so that it can take on contracts that AIDER is unable to fulfil, and vice-versa. These two organisations, which at first glance would appear to be competitors and thus competitive, are actually working in two complementary fields, one with vulnerable people and the other with highly skilled people. Trust-based cooperation means they can pass on offers to the organisation operating in the relevant field. This partnership has more in common with a "coopetition" relationship (Nalebuff and Brandenburger, 1996), which combines cooperation and competition. It takes the form of a relationship that is based on the players'

behaviour, but also varies depending on the position of the organisations in this sector and their resource requirements. This type of tie-up allows organisations of any kind to combine forces and share the results in response to the difficulties they encounter in a lacklustre economic environment. Of course, this type of tie-up is only viable if it is a "win-win" relationship. The players must therefore foster this dynamic by developing reciprocal practices, communication and trust in order to limit incompatible and opportunistic behaviour.

3.4. Governance revisited

These tools and this process help to improve the governance of these organisations on several levels. Preparation for SUE and the joint creation process undertaken to implement the indicators initially results in harmonisation of practices, which facilitates internal workflows. It also produces a clearer definition of social utility objectives and issues for the SSO in a given field and contributes to transparency and communication with regard to external partners. All of these effects have a direct impact on decision making, which is thus enhanced by being closer to the organisation's strategic challenges, its stakeholders' needs and expectations and in harmony with internal staff.

Conclusion

This article is the first step in a research programme that covers social utility, evaluation and the implementation of indicators in social and solidarity organisations. At present, there are very few articles that address the issue of evaluation of SSOs. Through this exploratory research we wanted to highlight the reasons why SSOs use indicators and the way in which they are deployed.

We reached a number of conclusions in the course of this exploratory research. Although SSE players have expressed a genuine interest in embarking on an analysis of social utility and its evaluation methods, implementing it is

another matter. On one hand, defining indicators is a complex issue because the phenomena they measure are even more so, and on the other hand, doing so takes up a lot of energy and goodwill in a sector in which some organisations lack the human or organisational resources to implement a process of this type (77.5% of SSE institutions are micro-companies with 0 - 9 employees[17]). Lastly, even if the public authorities have been stakeholders in this process, in practice, these indicators have not always been taken into account by the funding bodies.

The implementation of indicators raises a number of questions that have already been addressed in various research projects. These questions relate, in particular, to their usefulness, and even their instrumentation. Michel Berry (1983) queried the role of management instruments and the "shadowy" influence they can exert on an organisation. Our observations back up Berry's findings on the origin of the changes made to management instrumentation. The author highlights the role of external consultants and organisations in the introduction of new management tools. He believes that significant changes often come from outside the organisation. The implementation of indicators is thus the result of measures by players, pressure from external organisations, and the involvement of consultants in the introduction of these indicators. This is what we have shown, by highlighting [...] the charity AIDER's need for legitimacy and the respective roles played by consultant Hélène Duclos of Culture et Promotion, and COORACE.

We cannot, however, confirm all of Berry's findings as regards social utility indicators, and in particular the claim that *"...this market is based more on a 'ready-to-wear' than a bespoke fit.... many instruments are presented as claiming a broad range of applications, and numerous management innovations are transposed from one place to another without sufficient forethought as to the pertinence of this operation"* (page 26). For us to confirm these findings would entail more thorough exploration, using a representative sample of SSOs that have introduced social utility indicators.

The next step in this process will take this initial work on indicators introduced in SSOs to the next level. We have also observed that the interest of introducing evaluation and indicators also lies in the synergies created between players via the concertation meetings held on SUI and via renewed discussions with external partners during communication operations. We will thus be focusing on the impact of such initiatives in future research. Until now we have been focusing on the quantitative data sent to us because it forms a part of an ongoing, recent process. This work will continue by analysing the qualitative indicators that would identify the positive externalities that could be generated. Impact analysis methods such as progress markers would help us to analyse the social performance of such organisations more effectively, on the ground and over the long term. This will be the second phase of this ongoing research, and will also supplement the research on the social performance of organisations.

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