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THE EVALUATION IN WORK INTEGRATION SOCIAL ENTERPRISES: A LITERATURE REVIEW

Elisa Chiaf and Davide Giacomini
Department of Business Administration, University of Brescia, Italy

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ABSTRACT

The evaluation of firm results is a relevant issue which has been not completely deepened in the field of economic sciences. When dealing with social firms, the evaluation becomes problematic as they cannot be assessed using the most common measures of for-profit effectiveness, such as profitability or stock market performance because of their distinctive legal and financial status. Moreover, social firms have various goals, offer services that are intangible and are often based on social values about which there may be little or no approval. Specifically, different types of social firms require different evaluation parameters on the basis of their mission. According to the activity they carry out (work integration, educational services, care services, etc.) it is possible to define different "results", "effectiveness" and "evaluation methods".

The aim of the paper is to build a literature review on the evaluation of social firms, limiting the analysis to work integration social enterprises (WISE) whose objective is to include disadvantaged people in labor world through structured and *ad hoc* paths. Today the role played by WISE is more recognized than in the past, but it is still important to define its effectiveness compared with the goals of public administration, private and social enterprises' systems. In order to accomplish this aim it seems useful to write a review that takes into account the different points of view, theories and praxis.

The methodology adopted here is based on the analysis of recent studies (1993-2008) focused on evaluation of WISE. We shared the analysis in three main parts: why it is important to evaluate, what to evaluate, how to evaluate. For the last issue both empirical and theoretical studies will be analyzed, for the others more importance will be given to theoretical researches.

INTRODUCTION¹

The firm is a system of financial – governance – organizational – marketing – communication choices that create a business strategy producing several results (Airoldi et al., 2005). The evaluation importance depends on all the choices listed above and for this reason it is important to present motivations, instruments and guidelines that leading to evaluation: this can help firms to improve their management. We are aware of the relevance of the issue, but this does not mean that it is simple to analyse. The evaluation has several aspects - both objective and subjective - and it has explanation limits since the result depends on inter-reliant factors.

When we refer to the evaluation of the enterprise results we have to consider that in profit industries the economical elements – income in particular – have always been used as main indicators. Yet income is not as useful when it is about social and nonprofit enterprises² whose performance is the capability to reach social goals in the respect of financial bonds (Anthony et al., 1984). For social firms there are features and management ties that require a separate analysis and additional evaluation methods to measure and understand the created and widespread value. Despite many contributions, problems persist with the measurement of nonprofit performance because of the difficulties inherent to the measurement of the output of the nonprofit organizations (Chang, 1991). For example, Kanter and Summers (1987) argue that it is difficult to measure whether nonprofits succeed in goal attainment because their services are "notoriously intangible" and hard to define.

In the variegated SE world, considering a WISE means to analyze a company having economic features nearby purely social features. The WISE nature is social thanks to the modalities in which economic activities are practiced. A WISE is like every other company since it produces goods and services of all sorts; the differences between WISE and others enterprises lie in the human resources management, in the modalities of production and provisions of goods and services, more in general in the root philosophy that leads it. In this view we could take as reference point the economic indicators keeping in mind that this could lead to underestimating the social value created for the whole community. WISE reveals two needs: the first one refers to the beneficiaries that can start a recovery way through their work; the second one is related to the customers who require goods or services. In the light of this the result evaluation must cover closely related but totally different ways.

Because of this particular nature of WISE, several methodologies have been developed in order to evaluate the results achieved by the people involved in the project. Even if there is wide agreement on the evaluation of the subjects in terms of behavioral terms there is no common view on how to evaluate a WISE result in its entirety.

In order to analyze social firm results we have to consider the economical and non-economical externalities it produces, but when as to "economic" we are only partly referring to income and mainly to saving costs for community and public administrations, to responsiveness and independence of disadvantages, to durableness of firms, etc. Moreover, when we refer to non-economic results we have to consider services quality, life improvement of members, workers and beneficiaries, better social accomplishment of community well-being, and so on. All these

¹ The content of the paper is the result of the research work of the two authors. In the editing phase, par. 2 have been edited by Davide Giacomini and par. 3, 4 have been edited by Elisa Chiaf, while par. 1 is by all authors.

² In the paper Social Enterprises are indicated by "SE" and Work Integration Social Enterprises by "WISE".

conditions and items are difficult to measure with objective and univocal methods, but it's important to arrange the discussion about the evaluation, because if a firm can control its own results it will improve its job and activity.

This paper is structured as follows. In the first part the applied methodology is presented. Then more space is left for the literature review, that constitutes the analysis result. The paragraph is structured as follows: after a review on the definition of evaluation, we will demonstrate *why* evaluation is advisable, which *elements* we have to consider and which *methods* or process it is possible to adopt when referring to social firms valuation. Finally, the last paragraph is dedicated to conclusions, implications and future development of this work.

1. METHODOLOGY

The literature review should be a description and critical analysis of what others authors have written on a specific subject (Cooper, 2008; Jankowicz, 2005). The identification and the mapping of the scientific contributions is fundamental to understand the state of the art and the critical points in the evaluation of WISE performances (Forbes, 1998).

The universe of SE evaluation is wide and it comprises different point of views. Several are the initiatives aimed at providing useful data in order to analyze critically the performance obtained. Hence, our opinion is that a literature review may be the right tool to define and analyze this issue that probably will continuously grow its importance in the years to come. Specifically on WISE, we decided to limit our analysis at the last fifteen years: according to several researches, WISE was officially born in 1980's (Defourny et al., 2008; Defourny et al. 2004; Dussart et al., 2003) to face needs grown in 1970's (Borzaga et al., 2006), before that there was some initiative but not clearly definable as WISE. In Italy, where WISE's have mainly cooperative form, the first firms were born at the end of 1970's, but only in 1991 the law recognized them. According to Flynn (2001) over the past two decades, researches have made progress measuring the size, scope, and dimensions of the nonprofit sector. More recently there is new interest in analysis of the benefits of the sector and the overall effect that social organizations have on society over time.

In the analysis we have identified four research fields to better deepen the topic. Taking into account only "what it is evaluation in the WISE" should be a very broad approach; we prefer to subdivide the matter into four parts that, according to us, permit to analyze it in the light of the different points of view that characterize the WISE evaluation theme. Obviously we tried to deepen the evaluation definition. Generally speaking the definition of a matter is closely related to the motivation that is the point of departure of an action. Furthermore, if we are talking about evaluation, we have to consider an analysis subject and an analysis procedure. This is why the literature review is divided into these four parts (Duclos, 2007):

- the definition of "evaluation",
- why evaluate,
- what to evaluate,
- how to evaluate.

A previous texts analysis has revealed that hardly definable topics are the third and consequently, the last. Even if there is a general agreement at academic level on the definition and the motivations of evaluation, we cannot affirm the same about what and how evaluate. The central point of our work and therefore of our literature researches is indeed the definition of social value and how evaluate the one created by WISE.

Several are the dimensions of the social value that we should consider: the wealth for the community, the improvement of life conditions of WISE workers and the saving of resources for the public administration. We have also to bear in mind that WISE offer qualitative services that are with difficulty measurable through certain parameters. Through an analysis of the literature about the evaluation of the WISE economic and social performance we will identify main indexes, performance indicators and management tools aimed at the evaluation of the outcomes of WISE.

Our main sources will be books, papers and reports on the issue especially from Europe. A rich literature on SE and WISE developed at European level especially in Belgium, Italy and UK where several research centers are active and mainly grouped in EMES Network. In Italy, thanks to the institution of the social cooperatives, a particular form of WISE that has a big success both in numeric and qualitative terms, many studies and researches were born and are still growing.

Therefore our objective is to order what already exists in the WISE evaluation literature considering the more general matter of the SE. In the following paragraph the results are subdivided into the four aforesaid paragraphs.

2. LITERATURE ANALYSIS

2.1. The definition of "evaluation"

Evaluation can be considered as a verification of goals achievement set in advance (Porchia et al., 2005), but not only; the evaluation has to follow the whole process of value creation referable both to planning activities (projects, programs, politics) and to continuative activities (supply of services mainly) (Turra, 2005)

In a social firm environment, the evaluation is a useful tool to highlight the quality and to affirm distinctive features of product and services in order to preserve existing financial criteria and levels (Campostrini, 2005).

The definition of evaluation is strictly related to the improvement of the decisional process of social actors who participate in the stand. The evaluation is the process that accompanies the relation between action and decision (Bertin, 2005). The relation with stakeholders is clear when authors say that results of social enterprises is referred to the efficiency measured through several stakeholders judgments on "doings things right" (Herman et al., 1997).

2.2. Why evaluate?

We evaluate when we need to make a decision, compare alternative intervention strategies, help in determining possible results of decisional options and choose the situation with better cost/benefit rapport. The evaluation is useful to follow the process of decisions fulfillment, to verify if it respects the path previously set and to correct possible distortions. Ex-post evaluation of results determines the degree of success of a decision (Bertin, 2005).

Depending on the actors, the evaluation is finalized to orient strategies, define inclusion system rules, incentive quality development, assure services quality to citizens and orient people in the choice of services. For social enterprises, evaluation is useful also to create personalized projects, to develop competences and knowledge, to build, assure and improve a quality system and to run the relations. In general a social firm needs to evaluate to manage projects related to one or more beneficiaries, to regulate services, to govern the system and – in a whole perspective, to realize social policies (Bertin, 2005; Fazzi, 2005; Selle, 2005).

From an external point of view, social firms aim to respond to people needs in a continuative improvement view, to prove job efficiency isn't sufficient anymore, it should show high quality in supplied services. It should evaluate process on the basis of produced outcome, not as to supplying performances, it should be accountable not only to commitments, but to all stakeholders and community involved in its activities (Porchia et al., 2005; Fazzi, 2005; De Martino et al., 2005). The importance of evaluation is clear in a period in which there is more requests of accountability and much interest about outcome appreciation (Herman et al., 1997). In the increasingly competitive world in which nonprofits operate, there are new demands for effects analysis. Foundations want to know whether the programs they fund are making a difference. Private donors inquire as to how donations serve targeted audiences. Board members ask for detailed information on organizational activities and performances. Attention to measurement has also become more important among government agencies with the increased privatization of social welfare and the devolution of federal government decision-making powers to the states (Flynn et al., 2001).

From an internal point of view, the evaluation is not only useful to what listed before, but also to create learning process, to generate empowerment in members and workers and to verify the duplicability of projects (Turra, 2005; Selle, 2005).

Finally, from an institutional point of view, a SE has to show its contribution to the renewal of development model, by influencing the behaviors of public administration and social groups and by having effects on territory and local community (Bouchard et al., 2005).

2.3. What to evaluate?

In general, social firms need to evaluate the social utility created by their activities. The definition of social utility is not univocal or simple. It involves the economic wealth, both in term of creation and saving. Social utility is also referred to the elimination of inequality, to human and sustainable development. A social enterprise has a social utility when it creates social relation of proximity or democratic participation, when it contributes to social, economic and institutional innovation (Gadrey, 2004; Gadrey, 2006).

As to *main activity* of social firm, we refer to the evaluation of the offered quality, to the relation cost/benefit, to the satisfaction of beneficiaries and stakeholders. It's useful to evaluate the outcome trying to measure the changes produced on a group/population, the correct use of resources and the coherence between needs and project (Bertin, 2005).

As to *internal management*, a social firm can also evaluate the human resources involved in the projects, it can analyze the relational commitment and the so called "relational dimension" of services: understanding of other people needs, capability to create a fiduciary relation with beneficiary and his support network (Fazzi, 2005).

In order to evaluate WISE, a research (Dussart et al., 2003) is advisable to analyze the whole result through different analysis: an economic evaluation to add to a global evaluation. Simon (Simon, 1998) carry out a financial analysis too. The economic methodologies are based on budget indexes that foresees ratio between different values to show the productivity of labor factor, the market self-sufficiency, weight of subventions received, etc. The global evaluation is based on two main classes of indicators: Results (personal or general) and Based on resources. At the end Dussart (2003) shows how to combine all these information to have a global WISE evaluation.

The personal indicators can be shared into objective and subjective. The firsts evaluate the rate of reinsertion on work, the rate of reinsertion on formation, the quantity of individual commitment in social-political-cultural activities; the quantity of relations with families and friends and try to measure the quality of life. Subjective indicators measure the improvement of personal well-being with assessment of psychological wellbeing and satisfaction of life. The general indicators can be shared into external-quantitative and external-qualitative. The firsts measure variations on labor market, benefit for public budget, rate of criminality, number of job places created, rate of self-sufficiency of WISE without public contribution. The external qualitative indicators try to measure the better social cohesion, the increase of social capital and the improvement of human capital. The based-on-resources indicators measure the amount of resources set to different interventions from different public actors. To complete the analysis researchers propose efficiency and cost/benefits methods to sum up all the information collected previously.

According to Maree (Maree, 2005) it is necessary to measure the "collective effect" considering the three objectives that WISE must achieve:

- operational objectives; number of education or working hours;
- specific objectives: the outcome for the direct beneficiaries (the qualification obtained);
- overall objectives: the direct consequences (is the beneficiary better employable?) and the indirect ones (job market's improvement) of the work that has been carried out.

Specifically, the aforesaid research set the WISE "product" on three levels:

- a primary product: the integration of disadvantage person. It should be advisable to evaluate both the individual well-being and the collective benefit created. The first is measurable by higher personal incomes, to training hours, to the mental and physical health improvement, to familiar situation and, in general, to an overall improvement of the quality of life. Such individual well-being moves to a social inequality reduction and consequently to an increase of social capital. According to Davister (2004) social capital has to be considered as a goal of WISE. It is not easy to determine, but the author try to define at least three effects: the improvement of social relationship of beneficiary, the increased pursuing of good rules and values by managers of WISE and the lobby activities in WISE protection favour.
- a support product: the activity carried out may bring social effects, for instance in the ecological field. From this perspective, the territoriality and the importance of the revitalization of the economic local environment with sustainable development initiatives should be considered.
- a derived product: the innovative methods of production and work organization. A democratic and participation based management leads to a social capital improvement.

The same objectives are considered by Gregoire (2004).

According to Nicaise (Nicaise et al, 2000) it's necessarily to evaluate WISE results from three sides linked to the situation of the integrated subjects. Hence it is possible to say that a WISE is behaving well when its beneficiary' situation is improving from an economic, laboring and personal well-being point of view. With regard to the economic aspect the net average salary, the social status achieved by the workers and the training hours are investigated. From a working point of view it is necessary to determine if the workers have found a stable employment. Instead

the well-being analysis is based on a measure of the outpatient and residential claims, on the self-confidence improvement, on the number of external relations, on the frequency of meetings with psychiatrists or specialists.

According to other studies (Marocchi, 1999; Gregoire et al., 2005) evaluating a WISE means not only measuring the social improvement made by the workers, but considering the important role of WISE in the community. A first evaluation concerns the success of integration at job that allow to measure the efficacy of WISE activity. Moreover, it is important to know how much economic value the WISE is creating for public administrations and citizens. In order to do this the authors suggest an analysis of costs/benefits generated by the presence of WISE on a specific territory.

In conclusion we are going to report a completely innovative approach, although not directly related with the WISE but to the whole world of social economy. It is the Amartya Sen's study regained by Cyrille Ferraton (2008) about a new approach to evaluation of capabilities. According to Sen the level of resources and satisfaction provided by the use of a services is not an adequate method to evaluate the real situation of a person. Sen claims that the capability approach, bearing in mind the real options of the person, plugs the gaps: it is not focalized on the goods and services, neither on the satisfaction of the individual consumption but on the real choices that have been offered and that the person can realize.

The capabilities are the liberties of the person, they are the ensemble of the realizations among which people can choose since they have the resources in order to realize what they prefer. The capability approach offers a description of evaluation of the well-being, of the freedom space that the person has at his disposal to pursuit well-being. On the one hand it gives information about the goals a person pursues and on the other hand it describes the tools available to the person to attain his purposes. The capability approach has been used for some operative applications (Robeyns, 2006), among which the evaluation of the state of all the hardships, sacrifices and hindrances of disadvantaged people, the analysis of all kinds of inequality and the monitoring of social and economic policies.

2.4. How to evaluate?

The evaluation process is a participative moment (Thoening, 2005) in which all involved people needs to share rules and values to make homogeneous information flow, process and codes. The process has an ex-ante phase: to decide what the meaning of "result" is. We can refer to the effect on the beneficiaries through services realization, to people satisfaction and to outcomes, meant as well-being result produced by services or as more health by strengthening or maintenance of autonomies. In the light of this, it is necessary to define requirements and methods to verify its own offer. Here following there is a series of requirements that should be taken into consideration (Bertin, 2005; Fazzi, 2005):

- In order to control process: registration of participants reactions and resources to be compared to starting hypothesis;
- In order to evaluate congruence of treatment: registration of actions to be judged by experts and compared with technical standards;
- In order to measure the changes on each beneficiary: measurement scale of attitudes, knowledge, and behaviors, tests to measure life quality through historical series, comparison with other cases.

- In order to verify coherence between project and realized actions: registration of carried out and projected activities and judgment of experts.
- In order to prove the efficient use of resources: monitoring of resources for a goal and comparison with other cases, historic series and budget.
- In order to manage unexpected events: reporting of unexpected events and not, interviews and focus with social actors, rebuilding of cases and comparison with expectations.

There are several tools to adopt in the case of evaluation, as for instance background analysis to determine mechanisms running by participants actions-reactions recording or analysis "contest-mechanisms-results" and comparison with similar projects. Moreover, other tools can be cost/benefit analysis; self report instruments, surveying-observation grids, interviews, external judgments, etc. The different instruments should be integrated in order to manage, assure and evaluate the quality. For a social firm the capability to evaluate and self-evaluate, the sharing of strategies and tools permit to compare about efficiency and results become fundamental elements for development and dialogue, useful for single firm positioning and for good network working (Turra, 2005).

For the WISE, according to Dussart (2003) personal objective indicators can be measured by ratio on economic or noneconomic data. Personal subjective indicators have to be collected by interviews or colloquies. For general external-quantitative indicators there are numbers and quantities, both monetary and not, that allow to value the outcome of WISE, but for external-qualitative is necessary to adopt different methods, like interviews or focus groups. Finally, when dealing with based-on-resources indicators it is possible to measure economic values and quantitative ratios, but this means to maintain the analysis to a simple level of investigation (i.e. they show "how many resources have been offered by Region", but this could have several meaning).

According to Simon (1998), financial analysis is carried out by indexes of liquidity, reliability and financial self-sufficiency.

Drawing on ideas from Maree's research (2005), we are going to show some possible methodologies aimed at measuring the collective effect we have picked out in the process divided in three steps:

1. It is necessary to analyze the macroeconomic effect:

- Incidence analysis. The goal is to measure the whole economic effect generated by a specific activity on the other agents in a delimited zone and beyond the effects on the direct recipients. In itself the incidence analysis is not an help tool for the decisions because it is limited to the pure effects and it considers not the costs. It is not utilizable in order to make comparison with alternative projects. The aim is to compute the influence exercised on the other economic agents and its function is purely informative.
- Effects on public budget: among the WISE collective effects, the one on public budget is a major one. On one hand it is fairly measurable, on the other hand – in case of financing support to WISE – it provides data about costs and benefits for public finances. The following example takes into account direct, induced and indirect effects:

Table 1 - The three economic effects of WISE on public budget (Maree, 2005)

Direct effects	<ul style="list-style-type: none"> - For every integration: costs (grants et cetera) - tax concessions, social benefits - Net tax revenues (VAT et cetera) - VAT on additional purchases of the recipients
Induced effects	Extra tax revenues due to the increase of the economic activity created by additional purchases of the recipients and capital expenditure of WISE
Indirect effects	Avoided public expenditure concerning the improvement of the living conditions of the reintegrated people and society at large: health services, life-style, education, security et cetera

2. From the point of view of the community the effects are not limited to the macroeconomic level (halo effects, avoided costs) but they also comprise the production of a common good which is not subjected to market laws. Therefore the question: is it possible to measure it and can it be assigned a monetary value? The study suggests the following steps:

- An analysis of the mobilized resources starting with the measuring of not-market production and the listing of all the costs including intermediate purchasing, payments, amortizations. It is an evaluation that underestimates the value of not-market goods. The analysis of financing – aimed at highlighting the different incomes (donations, contributions, aids, allowances) – must be added to the former monitoring.
- In order to economically measure the not-market production it seems possible to use optimization calculation such as costs/efficiency analysis or costs/benefits analysis. The former measures production through non-monetary indicators and it is aimed at comparing for-profit businesses without giving absolute judgments.

ACE index: cost (book value)/realization

The latter is based on a monetary standard and attempts to compare production with the costs of mobilized resources according to the following formula:

$$VAN = \sum (B_i - C_i) / (1+r)^i$$

Where B_i and C_i are respectively the benefits and the costs of the year i and r is the discount rate.

3. Finally, in order to measure the economic value of a collective good, the willingness to pay of the individuals should be taken into account. This can be estimated from their preferences for a good, whether these are registered through complementary or surrogate goods, or they are expressed in the field of the survey which simulates a fictitious market (contingent evaluation method).

To analyze social capital created by WISE, Davister (2004) propose to collect data on social relations:

- Networks in which workers are member;
- Number and kind of relations between workers and public authority;
- Number and kind of relations between workers and economic actors;
- Helps and subventions from other organizations.

Moreover, data on rules and value are collected through open questionnaires to managers of WISE, with questions on value and norms of their enterprise. Social capital is also considered as lobby activity, according to Gregoire (2004) too, to measure it the indicators are: expertise for public authority, participation in formal and informal networks, participation in federations, capability to awake the public opinion and to influence public agenda, presence and economic contributions of voluntaries.

Nicaise (2000) suggests the adoption of questionnaires and interviews that consider several items, like socio-demographic, family situation, lodging, study level, professional career, free time, social participation, health, income situation, use of outpatient or residential structure, physical well-being.

In conclusion, the researches based on the analysis of economic value product by WISE for public administration and community adopt similar cost/benefit schemes, differentiated by features of reference region or country. In this light, authors create a series of indicators referring to Jadoul (2000), as the following:

Table 2 - An Example of Cost/Benefit analysis on public budget

Benefits for PA	<ul style="list-style-type: none"> ➤ + tax and imposition on revenues of workers ➤ + VAT created by WISE activity ➤ + VAT created by workers purchases (thanks to revenues) ➤ - contributions and subsidies for unemployed ➤ - costs for social-sanitary contributions (no more required by workers)
Costs of PA	<ul style="list-style-type: none"> ➤ + subsidies to WISE ➤ + costs for workers social contribution paid by PA instead of WISE (in some country)

This results have to be discounted at the current date to permit an analysis and to show the surplus value of a WISE not only in the social area, but also in the economic field.

CONCLUSIONS AND FUTURE DEVELOPMENT

The evaluation in social enterprises is currently a widely discussed topic. The present research has allowed an analysis of the specific features of WISE evaluation, and now it seems possible to affirm that several studies offer interesting but yet partial points of view that have to be combined to obtain a complete view of management operations.

As to the par. 2.1 and 2.2 results – evaluation definition and motivations - more information on SE than on WISE have been reviewed. These information, opinion and ideas, even if general, can be referable to WISE. The following table presents the main ideas emerged from our analysis.

Table 3 - Main results of literature review on par. 2.1 and 2.2

What is the evaluation?	A verification of goals achievement.	Porchia et al., 2005
	A part of the process of value creation referable both to planning activities and to continuative activities.	Turra, 2005
	A tool to highlight the quality and to affirm distinctive features of product and services.	Campostrini, 2005
	The process accompanying the relation between action and decision.	Bertin, 2005
Why to evaluate?	To decide. The firm is a decision-making system.	Bertin, 2005
	To realize social politics: to manage project and services, to assure quality	Bertin, 2005 Fazzi, 2005
	From an external point of view: to be accountable towards the stakeholders	Herman et al., 1997 Flynn et al., 2001 Fazzi, 2005 Porchia et al., 2005 De Martino et al., 2005 Maree, 2005
	From an internal point of view: to create learning processes, to generate empowerment in members and workers and to verify the duplicability of projects.	Turra, 2005 Selle, 2005
	From an institutional point of view: to show the good influence on public administration and social groups behaviors.	Bouchard et al., 2005

The real focus of the paper is the 2.3 paragraph, in which authors try to identify the evaluation object for a WISE. Initially the analysis is referable to the whole SE world, but it has been possible to find texts specifically on WISE that allow to clarify what is important to evaluate to obtain a more complete view on WISE performance. Here following the main results shared into the preliminary part on SE and specific analysis on WISE.

Table 4 - Main results of literature review on par. 2.3

What to evaluate?	<i>Social Enterprises</i>	
	The social utility created by the activities.	Gadrey, 2004 Gadrey, 2006
	The activity results in terms of efficacy (offered quality, satisfaction of beneficiaries and stakeholders, changes produced on a group/population, coherence between needs and project) and efficiency (relation cost/benefit, correct use of resources).	Bertin, 2005
	The internal management (relational dimension of service).	Fazzi, 2005
	The personal choice of subjects, depending on their capabilities	Ferraton, 2008
	<i>Work Integration Social Enterprises</i>	
	Financial analysis of WISE: <ul style="list-style-type: none"> • Productivity of labor factor; • Market self sufficiency; • Weight of subventions; • Liquidity; • Reliability. 	Dussart et al., 2003 Simon, 1998
	Efficacy of WISE activity: <ul style="list-style-type: none"> • Number of integrated people who find a stable employment after the period in WISE 	Nicaise et al., 2000 Marocchi, 1999
	Effects on people: <ul style="list-style-type: none"> • rate of reinsertion on work; • rate of reinsertion on formation; • net average salary; • individual commitment in social-political-cultural activities; • relations with families and friends; • number of outpatient and residential claims; • trust himself improvement; • frequency of meetings with psychiatrists or specialists; • other data on improved wellbeing. 	Dussart et al., 2003 Nicaise et al., 2000 Maree, 2005
	Effects on social capital creation:	Maree, 2005

	<ul style="list-style-type: none"> • individual commitment in social-political-cultural activities; • relations with families and friends; • increased pursuing of good norms and values by managers; • innovative methods of production and work participation, as for instances democratic and participation based management; • lobby activities in WISE favour; • better social cohesion; • improvement of human capital. 	Davister, 2004 Gregoire, 2004 Dussart et al., 2003
	<p>External effects:</p> <ul style="list-style-type: none"> • variations on labor market; • benefit for public budget; • rate of criminality; • number of job places created; • effects of activity carried out by WISE on sustainable development, as for instances in the ecological field; 	Dussart et al., 2003 Maree, 2005 Marocchi, 1999 Gregoire, 2004

As to "how to evaluate", the literature review on WISE started from the researches analyzed in the 2.3 paragraph. At the end of this work it seems possible to assume that the most important and difficult step is deciding what to evaluate, being the methodology a direct consequence of this choice. Here following the results of this last part of analysis on WISE.

Table 5 - Main results of literature review on par. 2.4

Work Integration Social Enterprises		
What to evaluate?	How to evaluate?	
Financial analysis of WISE: a) Productivity of labor factor; b) Market sufficiency; c) Weight of subventions; d) Liquidity; e) Reliability.	a) Subventions/gross pay and wages Gross profit margin/gross pay and wages Add value/gross pay and wages b) Gross margin/(Total costs- purchasing costs) Add value/(Total costs- purchasing costs- services and other goods) Gross margin/(Total costs- purchasing costs) Subvention/total costs Cash flow Incomes c) %subvention on turnover %subvention on sale proceeds d) Current assets/short-term debts e) (Equity/Total liabilities) x 100	Dussart et al., 2003 Simon, 1998
Efficacy of WISE activity: • Number of integrated people who find a stable employment after the period in WISE	• Workers who find a job/number of projects	Nicaise et al., 2000 Marocchi, 1999
Effects on people: • rate of reinsertion on work; • rate of reinsertion on formation; • net average salary; • individual commitment in social-political-cultural activities;	• Ratio on non-economic data (i.e. training hours/month) • Gathering of monetary information (i.e. incomes) • Gathering of non-monetary information (i.e. n. of meetings, n. of claims) • Questionnaire and interviews considering several items, like socio-demographic, family situation, lodging, study level, professional career, free time, social	Dussart et al., 2003 Nicaise et al., 2000 Maree, 2005

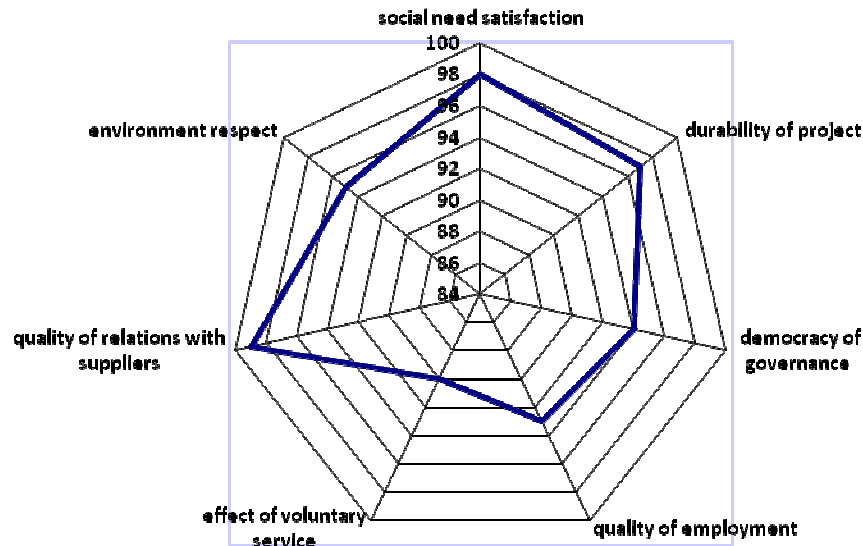
<ul style="list-style-type: none"> • relations with families and friends; • number of outpatient and residential claims; • trust himself improvement; • frequency of meetings with psychiatrists or specialists.; • other data on improved wellbeing. 	<p>participation, health, income situation, use of outpatient or residential structure, physic well-being</p>	
<p>Effects on social capital creation:</p> <ul style="list-style-type: none"> • individual commitment in social-political-cultural activities; • relations with families and friends; • increased pursuing of good norms and values by managers; • innovative methods of production and work participation, as for instances democratic and participation based management; • lobby activities in WISE favour; • better social cohesion; • improvement of human capital. 	<p>Data on workers' social relations:</p> <ul style="list-style-type: none"> • Networks in which workers are member; • Number and kind of relations between workers and public authority; • Number and kind of relations between workers and economic actors; • Kind of helps from other organizations. <p>Data on norms and value:</p> <ul style="list-style-type: none"> • open questionnaires with questions on values and norms followed by managers in their enterprise. <p>Data on WISE lobby activity:</p> <ul style="list-style-type: none"> • expertise for public authority, • participation in formal and informal networks, • participation in federations, • actions to awake the public opinion or to influence public agenda, • contributions of voluntary service. 	<p>Maree, 2005 Davister, 2004 Gregoire, 2004 Dussart et al., 2003</p>
<p>External effects:</p> <ul style="list-style-type: none"> • variations on labor market; • benefit for public budget; 	<p>Macroeconomic effect:</p> <ul style="list-style-type: none"> • Incidence analysis <p>Collective goods measurement:</p> <ul style="list-style-type: none"> • Analysis of mobilized resources; • Cost/efficiency analysis; 	<p>Dussart et al., 2003 Maree, 2005 Marocchi, 1999 Gregoire, 2004</p>

<ul style="list-style-type: none"> • rate of criminality; • number of job place created. • effects of activity carried out by WISE on sustainable development, as for instances in the ecological field; 	<ul style="list-style-type: none"> • Cost/benefit analysis <p>Economic value of collective goods:</p> <ul style="list-style-type: none"> • WTP (willingness to pay) through revealed preferences; • Expressed preferences with a contingent valuation method 	
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The main result of the analysis is the absence of a sole complete scheme that provides a whole evaluation of a WISE, which is a firm that combines social and economic aspects. Even if interesting and important, each evaluation method is partial, since it never regards the evaluation of the WISE result but single aspects such as the workers' reintegration achievements, projects analysis, economic durability of firm or economic value creation for public administration and community. Anyone presents a WISE result evaluation represented by an homogeneous index that can summarize the performance. Dussart (2003) presents a synoptic tab that include all the variables mentioned in the study, but this table, even if interesting and enough complete, draws different results near and doesn't give a final outcome or a final judgment on WISE performance.

What we are suggesting here is not an additional method, but a sort of summarizing model that could collect all these points of view in a sole methodology. In this light there are some hypothesis that could be developed in future researches not only with regard to WISE. The balanced scorecard (Kaplan et al., 1992) is an example, and even if it is applicable to the for-profit firms it shows how to measure the performance considering four dimensions according to three points of view: value creation, efficiency, intangibles. The considered dimensions are: economic/financial to measure value creation, internal processes to measure efficiency, learning/growing/innovation and customer satisfaction to measure intangibles. Each of this can refer to specific measurable indicators. A sort of "WISE balance scorecard" could be created to evaluate the WISE performance as a whole. The dimensions would change and follow what it has been seen in par. 2.3 in order to measure economic, personal, external results of insertion. As to this, it's useful to mention a project carried out by Group Amnyos and called "Evalu'RA – Evaluation de la Responsabilité sociale des enterprise" (Amnyos, 2008); it refers to CSR but it could be useful for future development in the evaluation field for WISE. It identifies 7 dimensions (social need satisfaction, durability of project, democracy of governance, quality of employment, effect of voluntary service, quality of relations with suppliers and environment respect) and 24 indicators with specific questions to be replied with an auto-evaluation. Once the replies have been collected, the result is shown in a sole graph like the following.

Graph 1 - "Les résultats: le profil gain sociétal" (Amnyos, 2008)



Here are presented the 7 dimension of the study, but, in the case of a WISE, it could be interesting to imagine what other dimensions have to be considered, in the light of par. 2.3:

- economic durability and independency of WISE;
- creation of economic value for Public Administration;
- improvement of the economic conditions of workers;
- improvement of the social conditions of workers;
- improvement of the working conditions of workers;
- improvement of the personal well-being of workers;
- accomplishment of democratic and participative governance;
- creation of social capital
- influence on sustainable development by the activity of WISE;
- et cetera.

Each dimension should be described through an homogeneous unit of measurement. Moreover, it could be useful to assign a value to different dimensions to get a weighted average that shows in a sole result the performance of firms. It would be still a multi-dimension view, we think that it is necessary to consider all the dimensions separately through different methods, but it is important to define a final overall measure that can assure a complete and clear statement of WISE performance. It is therefore necessary to underline that the achievement of the mission is the bottom-line of a social enterprise – for a WISE in particular this is constituted by the insertion of disadvantaged at work – all the other devices such as multiple-bottom line scheme or balanced scorecards may be helpful management tools, but they can be counterproductive if allowed to obfuscate the ultimate criterion of success (Young, 2005).

In conclusion, a future development of this research could be a study on a method that summarizes the ones presented in this paper, aware that indicators have some limits and must be explained to represent accurately the firm activity, philosophy and results.

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