

## Interreg Europe ROAD CSR Action Plan 2019-2020 – PP7 Unioncamere del Veneto

# Integrating Corporate Social Responsibility into ROP ESF 2014-2020 of the Veneto Region

Draft 29.11.2018 by Lorenzo Liguoro

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### 1. Brief description of the Road-CSR project:

Competitiveness of SMEs is high in the agenda of the European Commission (EC). Due to the economic and financial crisis of 2008-2013, there is a widespread expectation that businesses should be more accountable to the society. The EC issued the Directive 2014/95/EU, where companies concerned are required to disclose in their management report, information on policies, risks and outcomes regarding environmental, social and employee aspects, respect for human rights, anticorruption and bribery issues, and diversity in their board of directors. In other words, to integrate in their business models Corporate Social Responsibility (CSR) principles.

Although, the new directive applies only to a limited number of large EU companies it leaves out the Small and Medium sized enterprises (SMEs) that are the predominant form of enterprise in EU and a key to achieving the goals of growth and jobs strategy. Studies have shown that CSR is viewed as a vital concept that businesses of all types and size need to understand and address. Also, there is a positive relationship between SMEs and CSR and their competitiveness. The challenge addressed by the Project is to help member states to apply the new Directive and new measures in their Operational Programmes in order SMEs to increase their competitiveness and sustainability.



The Interreg Europe Road-CSR Project brings together 7 partners from 7 Countries, involving the managing authorities & regional bodies influencing regional and national policy instruments, to help EU Member States to apply CSR principles into the core business of SMEs helping them with this way to become more competitive, sustainable, innovative and accomplish long term profitability with social justice and environmental protection.

Partnership composition:

Lead Partner: *Larnaca and Famagusta Districts Development Agency (CY)*.

Project Partners: *Region of Crete (EL), General Directorate of Labour, Regional Ministry of Education and Employment of the Government of Extremadura (ES), E-institute (SI), South Bohemian Agency for Support to Innovative Enterprising (CZ), Association of Chambers of Commerce of Veneto Region (IT), NTNU Norwegian University of Science and Technology (NO)*.

The project lifespan ranges from 1<sup>st</sup> January 2017 to 31<sup>st</sup> December 2020 (4 years) and accounts for a budget of 1.161.255,00 €, 85% co-financed by the European Regional Development Fund 2014-2020.

To incorporate CSR principles into SMEs' business core, the project envisages a wide range of activities, focusing on promoting the interregional learning process and the exchange of experience among regional authorities.

Project activities include:

- Investigation of the integration of CSR principles into SMEs and to national/regional legislation and programmes;
- Identification of successful best practices;
- Evaluation and analysis of the level of impacts of CSR principles on the performance of SME's;
- Analysis of the factors (barriers and enablers) that influence the adoption of CSR into SMEs;
- Promoting public dialogue and consultation process to build consensus and ensure the successful implementation of regional action plans, through the support and participation of key regional stakeholders;
- Fostering interregional learning and capacity building through workshops, study visits, and policy learning events;
- Joint development of action plans to promote the improvement of the policy instruments addressed by the project;
- Policy recommendations for Directive 2014/95/EU and dissemination of them beyond the geographical scope of the project;
- Increasing awareness, promoting and disseminating the project results and knowledge beyond the partnership.

## 2. Summary of the Action Plan:

Although the world “business” is commonly referred to a commercial activity aimed at providing an economic benefit, it actually comes from the term busy-ness, meaning “to take care of something”.

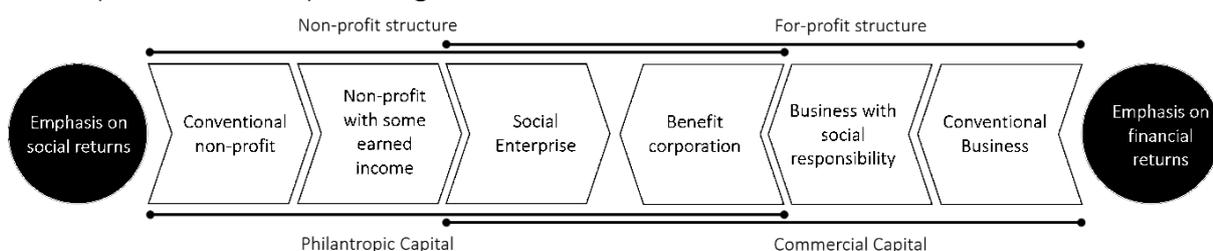
As a matter of fact, a business may operate as a “for-profit” or a “not-for-profit” entity. For-profit businesses are the conventional private corporations whose primary goal is to generate revenue and maximize profit for the corporation’s owners, whether it be a sole proprietor, multiple partners, members or shareholders. Directors of for-profit businesses must run the company with the sole purpose of maximising shareholder profits, otherwise the latter may sue them for breach of their fiduciary duties.

On the other hand, non-profit organizations serve a social purpose or some “greater good”. Unlike for-profit corporations, non-profit directors cannot seek any personal profit, and must reinvest any of the organization’s profits back towards its mission.

Until recently, this inflexible legal framework hindered social entrepreneurs desire to make money while furthering a social purpose or, symmetrically, the for-profit executives ambition of providing any kind of social or environmental benefit together with the economic success of the company.

In response to this need, several States created new business entities known as social enterprises and (public) benefit corporations.

Nowadays, the spectrum linking conventional non-profit organisations and conventional for-profit businesses includes several nuances made by everyday more complex forms of hybrid organisations.



Source: elaboration based on the Jed Emerson’s “Spectrum of Social and Financial Returns”, *Stanford Social Innovation Review*, Spring 2008.

Social Enterprises and B Corps (whether publicly acknowledged or not) encompass three distinct (but overlapping) concepts. Social enterprise refers to a business model, B Corp refers to a certification and public benefit corporation refers to a legal status. A Social Enterprise is defined as an organisation or initiative that combines the social mission of a non-profit or government program with the market-driven approach of a business. In other words, it is a hybrid model addressing critical, urgent unmet basic needs in society through business. Social enterprise is not a distinct legal entity – it is instead an entrepreneurial organisation of any form and legal nature, which by statute has a social / environmental mission social and that is not mainly financed by public subsidies and charity but carries out a commercial activity on the market as any for-profit company. The profit generated by its commercial activity does not represent the ultimate goal but is managed and used as a means of making the business financially sustainable.

A B Corp, on the other hand, is an organization that has successfully completed the certification put forth by the non-profit foundation B Labs. B Corps can only be for-profit organisations, and they must meet B Labs' standards for social and environmental performance, accountability and transparency. Though for-profit social enterprises can apply for B Corp certification, B Corps don't necessarily have to be social enterprises.

A public benefit corporation is a legal incorporation available only in certain US States and, since 2015, Italy: Law n. 208 of 28<sup>th</sup> December 2015, paragraphs 376-383 and annexes 4-5. It allows organisations to identify a purpose beyond maximising shareholder value. Becoming a public benefit corporation “protects mission through capital raises and leadership changes, creates more flexibility when evaluating potential sale and liquidity options, and prepares businesses to lead a mission-driven life post-IPO.”

Benefit corporations are not tax-exempt entities and generally operate as a traditional corporation, but unlike conventional businesses a benefit corporation must also pursue a “general public benefit.” A benefit corporation is a business with two purposes: to generate revenue and to pursue a social mission.

Responsible corporations are traditional for-profit businesses that voluntarily adopt a management model that includes strategically the stakeholders perspective overcoming the usual shareholders perspective. Many international standards provide clear prescriptions for improving the outcomes in terms of accountability and responsibility: AA1000 (AccountAbility, 1999), ISO26000 (Social Responsibility, 2010) and SA8000 (Social Accountability, 2014). In Italy, in 2012, the Ministry of Economic Development launched the “Platform of indicators of Corporate Social Responsibility”. That tool has been adopted by several Public Administrations, including the Veneto Regional Government, to single out the companies committed to CSR.

Public policies, companies, initiatives and practices have been investigated and described during the initial phase of the ROAD CSR project, in order to provide a differentiated perspective of the possible combinations of positive social impacts and economic sustainability.

The aim of this Action Plan is to define a concise and concrete roadmap for mainstreaming Corporate Social Responsibility and Social Innovation into the Veneto Regional Operational Programme of the European Social Fund 2014-2020 and thus foster the dissemination of hybrid business and new productive paradigms among SMEs.

The Action Plan will consist of a limited number of 2 specific actions and will be implemented experimentally between 2019 and 2020. The interventions and their effects will be monitored and analysed. A board of stakeholders will supervise the implementation phase, involving interested and experienced representatives of key regional players in these subjects. Participants in the board will continuously exchange information in a process of mutual learning on an empirical and factual basis.

The consultations carried on with stakeholders during the preparation phase has brought to the following conclusions in terms of envisaged objectives:

- To strengthen the links between technological and social innovation;
- To support the involvement of companies in ecosystem networks, through aggregation and collaboration processes;
- To direct companies towards more sustainable business models, integrating approaches aimed at profit and collective benefits;
- To collect further evidence to support the positive correlation between corporate social responsibility and sustainability and continuity of economic performance;
- To support responsible companies in attracting talent;
- To test the allocation of public funds through the pay-by-result paradigm (for example, Social Impact Bonds).

For the scope of this Action Plan all the above mentioned expectations have been considered.

### 3. General Information:

Project:	ROAD CSR - A Roadmap for Integrating Corporate Social Responsibility into EU Member States and Business Practices
Partner Organisation:	Unioncamere del Veneto (Association of Chambers of Commerce of Veneto Region)
Other partner organisations involved:	N/A
Country:	Italy (IT)
NUTS2 Region:	Veneto (ITH3)
Contact person:	Irene Gasperi E -mail: <a href="mailto:unione@ven.camcom.it">unione@ven.camcom.it</a> Phone: +39 041 0999 311 Website: <a href="http://www.unioncameredelveneto.it">www.unioncameredelveneto.it</a>

### 4. The policy context:

The Veneto Regional Government invests European Social Fund (ESF) 2014-2020 resources primarily in education and training to help people find and keep work, while increasing social inclusion. The ESF Regional Operational Programme (ROP) for Veneto has been adopted with Decision of the European Commission C (2014) 9751 final on 12<sup>th</sup> December 2014. The Programme focuses on lifelong vocational education and training to improve the region's growth, social innovation and competitiveness for

assuring employment, equal opportunities, and business and worker flexibility in changing markets. The ROP 2014-2020 has an overall budget of 764 million €.

The ROP has the following priorities:

- to Improve the employability of jobseekers and workers, particularly young people and women;
- to support people from marginalised communities or at risk of social exclusion;
- to promote educational and training initiatives to increase social inclusion;
- to assure equal access to good quality education at preschool, primary and secondary levels;
- to support for workers and SME's to adapt to change and increase their competitiveness;

subdivide into four Axis:

- PA1 – Employment;
- PA2 - Social inclusion;
- PA3 - Education and training;
- PA4 - Institutional capacity.

The ROP explicitly refers to Corporate Social Responsibility as a solution for combating poverty and promote competitiveness and sustainability:

*"The Evaluation of the National Reform Program and the Stability Programme 2013 showed how the structure of social expenditures in Italy is largely oriented towards the elderly population through pension spending (16.9% of GDP in 2011, one of the highest values in Europe), while resources allocated to combating poverty and social exclusion are limited and ineffective. This document, in strict analogy with the Position Paper for Italy, therefore highlights the need for policies that encourage the entry or re-entry of people at risk of poverty in the labor market through active inclusion pathways. [...]"*

*An important role in this field can be played by social enterprises and more generally by companies focused on social responsibilities. Company's survival and success are challenged by the economic and financial crisis and Corporate Social Responsibility (CSR) can become a source of shared value, contributing to the competitiveness of the company, and, at the same time, the social and environmental development of the territory. [...]"*

*To promote this type of economic action, the Veneto Region also intends to finance the investment priority 9.v concerning the promotion of social entrepreneurship and professional integration in social enterprises and social and responsible economy, in order to facilitate the access to employment, paying particular attention to the promotion of CSR with a view to social inclusion for the experimentation and promotion of welfare community and corporate welfare".*

Therefore, social innovation and the mainstreaming of CSR into SMEs has been promoted through initiatives ranging among three different axis: employment social inclusion and institutional capacity. This topic has become particularly significant as it

propelled Systemic Actions involving many different stakeholders in forward looking initiatives that actually fostered the connections bridging regional operators. Nonetheless, this strategy has not been clearly formalised and stated. It was rather built one step after the other through a series of different interventions focusing on various aspects of CSR and social entrepreneurship. This Action Plan is aimed at design a proper Road Map for the last implementing period in order to capitalize the results already achieved and sustain the impacts for broader effects.

## 5. Current Situation:

The Veneto Region has an important history regarding the promotion of Systemic Actions in this field of intervention, sustained through the ESF ROP. Between 2014 and 2018, the Veneto Region invested 37.2 million € for the development of projects concerning CSR.

The common features of the interventions were:

1. **Participatory governance** - multi-stakeholder approach and enlarged Steering Committee directing the actions;
2. **Multi-disciplinary method** - integration between research, consulting, training and communication;
3. **Emphasis on new service/products and processes** - focus on social innovation, sharing and circular economy;
4. **Preeminence of hybrid business models** - integration between competitiveness, sustainability and job creation;
5. **Eco-systemic welfare approach** – place-based sectoral and functional integration.

The following boxes summarise the main interventions financed by the Veneto Regional Government through the European Social Fund Regional Operational Programme from 2014 to 2018:

<b>Legal framework:</b>	<b>Title:</b>
Deliberation of the Regional Council n. <b>448</b> of 04 <sup>th</sup> April 2014.	Networking to Compete: fostering innovation for the smart, sustainable and inclusive growth of Veneto production systems.
<b>Objectives:</b>	<b>Actions:</b>
<ol style="list-style-type: none"> <li>1. To support companies in transforming innovative ideas and research results into new products and services capable of stimulating growth and employment;</li> <li>2. To develop services for the citizens - students, unemployed, workers - designed and implemented in an innovative way, in order to be able to face the main problems of society, stimulate competitiveness and create jobs.</li> </ol>	<ol style="list-style-type: none"> <li>1. Generational cooperation at work;</li> <li>2. Territorial networks for work-life balance;</li> <li>3. Case management, territory and public and private network for employment;</li> <li>4. Social responsibility and SMEs;</li> <li>5. Innovation for competitiveness.</li> </ol>
<b>Axis ROP ESF 07-13:</b>	<b>Budget:</b>
I. Adaptability III. Social Inclusion IV. Employability	17.200.000 €

<b>Legal framework:</b>	<b>Title:</b>
Deliberation of the Regional Council n. <b>254</b> of 08 <sup>th</sup> March 2016.	Equal opportunities in a changing labour market: We invest in female employment.
<b>Objectives:</b>	<b>Actions:</b>
<ol style="list-style-type: none"> <li>1. To go beyond corporate and territorial welfare systems toward an integrated welfare system;</li> <li>2. To promote the entry and permanence of women in the labour market.</li> </ol>	<ol style="list-style-type: none"> <li>1. A regional network for conciliation of labour and family life in support of welfare services for work-life balance;</li> <li>2. New organisational models - innovative models of work organisation to support work-life balance;</li> <li>3. Interventions for new job opportunities and new business.</li> </ol>
<b>Axis ROP ESF 14-20:</b>	<b>Budget:</b>
I. Employability	5.000.000 €

<b>Legal framework:</b>	<b>Title:</b>
Deliberation of the Regional Council n. <b>948</b> of 22 <sup>nd</sup> June 2016.	Responsibility: Promoting social innovation and ethics – CSR.
<b>Objectives:</b>	<b>Actions:</b>
1. To promote the adoption, by the Veneto companies, of models that meet the criteria of Corporate Social Responsibility, as well as approaches committed to "external engagement" and social innovation.	1. Company governance; 2. Clusters, supply chains, customers; 3. Natural environment, energy and emissions; 4. Territory and local community.
<b>Axis ROP ESF 14-20:</b>	<b>Budget:</b>
II. Social Inclusion	5.000.000 €

<b>Legal framework:</b>	<b>Title:</b>
Deliberation of the Regional Council n. <b>1267</b> of 08th August 2017.	New Challenges - New Services: Social innovation tools.
<b>Objectives:</b>	<b>Actions:</b>
1. To promote the diffusion of a new culture for the development of social inclusion, through the support to job creation processes to be realised within the framework of innovative models with a social impact or collaborative and circular economies.	1. Social Impact; 2. Collaborative economy; 3. Circular economy.
<b>Axis ROP ESF 14-20:</b>	<b>Budget:</b>
II. Social Inclusion	4.000.000 €

<b>Legal framework:</b>	<b>Title:</b>
Deliberation of the Regional Council n. <b>1540</b> of 25th September 2017.	Investing in the organisational change: New services for citizens, workers and businesses.
<b>Objectives:</b>	<b>Actions:</b>
<ol style="list-style-type: none"> <li>1. to align the services provided by Public Administrations with the businesses' needs and strategies, involving different stakeholders;</li> <li>2. To understand new trends in work organisation in order to promote labour productivity together with rights and services for all.</li> </ol>	<ol style="list-style-type: none"> <li>1. Strengthen the capacity to manage co-design tools for training and active inclusion of workers in line with the needs of the economy 4.0;</li> <li>2. Co-design of new services and / or innovation and improvement of existing ones, also thanks to the support of new technologies and the active involvement of end users;</li> <li>3. Identification of new models of industrial relations and / or collective bargaining.</li> </ol>
<b>Axis ROP ESF 14-20:</b>	<b>Budget:</b>
V. Institutional Capacity	3.000.000 €

<b>Legal framework:</b>	<b>Title:</b>
Deliberation of the Regional Council n. <b>718</b> of 21st May 2018.	INN Veneto: Brains that return for the Veneto of the future - Social innovation projects.
<b>Objectives:</b>	<b>Actions:</b>
<ol style="list-style-type: none"> <li>1. To develop social and cultural innovation projects that can contribute to the creation of new jobs and to the growth of the entire Veneto socio-economic system;</li> <li>2. To realise interventions able to attract on the regional territory "brains" and talented people being abroad;</li> <li>3. To promote the emergence of permanent attraction poles, increasing the opportunities for exchange, comparison and attraction not only between researchers and research doctors, but also between different subjects with high skills, which can generate impacts on the entire community.</li> </ol>	<ol style="list-style-type: none"> <li>1. Brain exchange for territorial development;</li> <li>2. Ideas for the Veneto (Innovative start-up community);</li> <li>3. Arts and craft excellences.</li> </ol>
<b>Axis ROP ESF 14-20:</b>	<b>Budget:</b>
II. Social Inclusion	3.000.000 €

## 6. Actions:

The Action Plan focuses on two distinct actions referring to respectively to the Axis II. Social Inclusion and I. Employment.

### ACTION 1 – Boosting social responsibility through innovative value chains.

Framework:

- Axis: II Social Inclusion
- *Thematic Objective: 9* - Promoting social inclusion and combating poverty and any discrimination.
- *Investment Priority: 9v* - The promotion of social entrepreneurship and professional integration in social enterprises and social and solidarity economy, in order to facilitate access to employment.
- *Expected results: 9.7* - Strengthening of the social economy.

Objectives:

- to support the adoption of the Benefit Company status among Veneto SMEs - synergy with action 3.3.1. ROP ERDF 2014-2020.
- to promote the creation of network aggregations between profit, no-profit and benefit companies (value chains) - synergy with action 1.1.4. ROP ERDF 2014-2020.

Interventions:

- Corporate and inter-company training, individual and group support, project works, action researches.

### ACTION 2 – Promoting youth participation in social innovation.

Framework:

- Axis: I Employability
- *Thematic Objective: 8* - Promoting sustainable and quality employment and supporting worker mobility.
- *Investment Priority: 8ii* sustainable integration into the labor market of young people, particularly those who do not work, do not follow studies or training, including young people at risk of social exclusion and young people from marginalized communities, including through the implementation of guarantee for young people.
- *Expected results: 8.1* - Increasing the employment of young people.

Objectives:

- To support the birth of innovative start-ups that born directly with status of benefit corporation - synergy with action 1.4.1. ROP ERDF 2014-2020.
- To promote the attraction of benefit companies towards young talents - synergy with action 1.1.1. ROP ERDF 2014-2020.

Interventions:

- Indoor training, internships, research grants.

## 7. Description of each action:

### Action 1

#### **Boosting social responsibility through innovative value chains.**

##### 1. Background:

Social changes usually come up-ward from the bottom. Social entrepreneurs, responsible corporate managers, social activists, civil society organisations, NGOs, etc. are the only ones that can really operate the paradigmatic shift from the neo-classic utilitarian market economy to the generative civic economy combining wealth creation and social and environmental improvements.

To build a partnership for social innovation must be on the top of a common agenda linking all active energies on the field. Cooperation is essential to agglutinate synergic perspectives and interests. Only a unite movement can promote a credible and enduring cultural transformation.

Public Authorities face a highly demanding challenge trying to ignite social economy: public intervention is crucial but the whole transformation cannot rely on public subsidies or legal prescriptions only.

An eco-systemic approach is needed. The regulatory framework should pave the way for constructive and win-to-win interactions between conventional businesses and hybrid or social enterprises. Those cooperative relations should work at market level with few and specific incentives.

Those incentives should not totally reduce the efforts of responsible undertakings for achieving an efficient labour organisation and a fair quality of goods or services delivered. This dynamic is essential for prizing appropriate investments in terms of technologies and know-how, which are in turn strongly related to better working conditions and sustainable revenue streams.

Conventional for-profit utilitarian corporations tend to have small linkages with the territories where they operate as they do not measure any value that is not specifically accounted as company liability or asset.

On the other side, businesses with social or environmental purposes have a narrower scope. Their existence is strongly related to the environment where they act and the community they are working for. Those undertakings

typically are smaller organisations, effectively connected to other players and vertically focused on specific issues and needs.

Their performances depend on the availability of strategic partnerships in the territory. Regional Authorities are those demanded for the creation of such alliances, enhancing the alignment of the different actors towards few common goals. Coordination is crucial from the grassroots level to orient the efforts and capitalise returns and results.

## 2. Action description:

The action is a follow up of the Systemic Action launched with the Deliberation of the Regional Council n. 1267 of 08th August 2017.

The goals are to support the adoption of the Benefit Company status among Veneto SMEs and to promote the creation of network aggregations between profit, no-profit and benefit companies.

The rationale is that the key of success relies in the eco-systemic value of business models in place. Hybrid companies are pivotal bridges between profit and no-profit organisations. The value chains should integrate different perspectives and scopes to provide an optimal equilibrium among economic, social and environmental interests. Enterprise Networks are flexible thus reliable tools for extending the corporate governance, shifting the paradigm towards the integrated external engagement.

Funded activities are:

- inter-company training combining beneficiaries coming from conventional businesses and benefit or social companies.
- Project works and workshops should be carried on for exploring and exploiting synergies among companies, allowing the co-design of innovative solutions matching the assets and skills of participating companies.
- Action researches should investigate the possible configurations of the value chains and set up a road map for the active cooperation for achieving common goals.
- Network meetings are useful for ongoing coordination among partners.

- Multiplier events can contribute to the promotion of designed solutions.
- Individual and group coaching is foreseen for assuring adequate support during the execution of designed innovations.

Envisaged outputs are:

- Formally registered enterprise networks and subsequent amendments including at least a certified B-Corp or a Public Benefit Corporation.
- Innovative social projects involving member of established networks.

3. Stakeholder involved: Accredited Training Organisations (Lifelong Learning VET Providers).  
Enterprises, in particular SMEs, and Unions.  
Clusters or networks of companies.  
Universities and Research and Innovation Centres.  
Foundations, NGOs, Third sector agencies and Associations.  
Local Public Authorities.
4. Timeframe: 2019-2020
5. Costs: 2.000.000 €
6. Funding: European Social Fund 2014-2020: 1.000.000 € (50%)  
Italian National Government: 700.000 € (35%)  
Veneto Regional Government: 300.000 € (15%)
8. Expected impacts: Key Performance Indicators (KPIs):
- a. n. of enterprise networks including at least one B-Corp or Public Benefit Corporation;
  - b. turnover of Public Benefit Corporations in Veneto (increase of, absolute value and ratio over Full Time Equivalentents);
  - c. business volume of Public Benefit Corporations in Veneto generated through the participation in tender procedures in public procurement (increase of);
  - d. Private, industrial, investments in B-Corps, Public Benefit Corporations and Social Enterprises equities (absolute value).

## Action 2

### Promoting youth participation in social innovation.

#### 1. Background:

Social entrepreneurs should evolve the business model continuously, improving the fit between tackled social and environmental needs tackled and adequate economic returns. Sustainability in the broader meaning means not to be dependant from any specific relation, tool or practice. Autonomy is not a way whereas the eco-systemic equilibrium can be the solution. The social businesses should identify their position in the ecosystem and interrelate with both public authorities and private conventional organisations. Flexibility and resilience are both strongly associated to innovation. There is not a unique model that fits for all purposes. Social needs are context dependent and cultural and historic paths changes the operational conditions. Therefore, social businesses are collective problem-solving tools constantly seeking improvements by adaptations.

Social enterprises require both creative vision and operational capacities. To run a business with purpose is a strong responsibility. The design of the business model must consider the intended and secondary effects while assuring an effective solution for a collective need in a sustainable way. User-centred approaches are required in order to design product and services that really matches the needs and the expectations of end users. The relations within the company and dialogue between entrepreneurs and employee is pivotal too for assuring welfare conditions and great worker motivation. Integrated external engagement is necessary to steer the business adopting a stakeholder perspective and maximising the shared value generated.

Although indispensable, converting running businesses to social innovation is a tough work. Brand new enterprises tend to be more oriented to sustainability and continuous innovation. The business models of startups are typically forged into the stakeholder perspective and sustainability paradigm.

Without intervening directly in the provision of specific goods or services to end users, regional authorities should act as a hub, connecting problems and solutions creating an acknowledged floor for the matching of

persons in needs and operators willing to invest in the creation of feasible and effective results.

Trust is the fuel that supplies the cooperative approach to problem solving. Involved actors should assure fair, transparent and accountable conditions for social businesses to flourish without conflicts of interest or speculative practices that might annihilate the community support to them.

Businesses with purposes are known to be more attractive for millennials and young workers in general. The aims and the vision of the company are becoming everyday more important in the employment individual choices in mature economies where the salary is likely to be not the sole leverage for sparking motivation. Therefore, responsible companies are key players for tackling youth unemployment and stop or reverse brain-drain.

## 2. Action description:

The action is a follow up of the Systemic Action launched with the Deliberation of the Regional Council n. 718 of 21st May 2018.

The goals are to foster the adoption of the Public Benefit Company status among innovative start-ups or Innovative Small and Medium Enterprises and to promote the attraction of the benefit companies towards young talents.

The rationale is that technological and social innovation should be mutually reinforcing. Technologies enables new possibilities and improve the quality of services and products whereas user-centric environmentally friendly designed solutions assure desirability and sustainability of the innovations. Accountable and responsible knowledge-intensive businesses are more likely to adopt an open innovation approach in research and development activities, providing higher systemic effects. Moreover, companies engaged to community or environmental challenges result to be more attractive for young people with high educational attainments. Their capacities should be matched to a high technical potential of business itself.

Funded activities are:

- indoor training aimed at accompanying innovative companies to the acquisition of the Public Benefit

Company status or focusing on existing Public Benefit Companies willing to become also innovative start-ups or SMEs.

- Project works and workshops should be carried on for exploring and exploiting the intersections among technological and social innovations, boosting product/service innovative design and disruptive business models.
- Action researches and research grants should be realised to extend the composition of R&D teams providing multidisciplinary perspectives.
- Internships are the intended step for paving the way to the placement of young talents willing to support social or environmental purposes while contributing to the development of innovative and smart solutions.
- Multiplier events can contribute to the promotion of designed solutions.
- Individual and group coaching is foreseen for assuring adequate support during the execution of designed innovations.

Envisaged outputs are:

- innovative Startups and Small and Medium Enterprises that change their status into Public Benefit Companies.
- Graduated workers with Master Degrees aged under-40 years are employed by B-Corps and Public Benefit Companies and Responsible Corporations.

3. Stakeholder involved:	Accredited Training Organisations (Lifelong Learning VET Providers), Enterprises, in particular SMEs, and Unions. Universities and Research and Innovation Centres. Business Centres, incubators and Innovation Hubs.
4. Timeframe:	2019-2020
5. Costs:	3.000.000 €
6. Funding:	European Social Fund 2014-2020: 1.500.000 € (50%) Italian National Government: 1.050.000 € (35%) Veneto Regional Government: 450.000 € (15%)

8. Expected impacts:      Key Performance Indicators (KPIs):
- a. n. of Innovative Startups (ex Decree-Law 179/2012) created directly with the Public Benefit status (ex Law n. 208 /2015, Paragraphs 376-384);
  - b. n. of Innovative Startups or SMEs (ex Decree-Law 179/2012) that change their status into Public Benefit (ex Law n. 208 /2015, Paragraphs 376-384);
  - c. percentage of graduated workers aged under-40 years that are employed by B-Corps and Public Benefit Companies and Responsible Corporations (according to the “Platform of indicators of Corporate Social Responsibility” of the Ministry of Economic Development) on the Full Time Equivalents;
  - d. n. of research activities carried on by Universities and Research Centres funded or sponsored by B-Corps, Public Benefit Companies and Responsible Corporations.

**8. Dashboard for monitoring the Action Plan impacts:**

Action	Objectively verifiable Indicator	Means of verification	Baseline	Target
1	a. Strategic cooperation inside hybrid value chains.	Formally registered enterprise networks ex Law n. 33/2009 and subsequent amendments including at least a certified B-Corp (B-Lab international standard) or a Public Benefit Corporation ex Law n. 208 /2015, Paragraphs 376-384.	0	5
1	b. Economic success of Public Benefit Companies.	Annual turnover of Public Benefit Companies in Veneto: variation compared to 2017 accounts in terms of absolute values and ratio over Full Time Equivalents calculated on the official annual balance sheets.		+4%

1	c. Responsible procurements.	public	Business volume of Public Benefit Companies in Veneto generated through the participation in tender procedures in public procurement: variation compared to 2017 accounts in terms of absolute values, calculated on official subscribed contracts.		>0%
1	d. Private financing.	ethical	Private or corporate, investments in B-Corps, Public Benefit Companies and Social Enterprises equities: variation compared to 2017 accounts measured on the sample of the beneficiaries of the action.		>0%
2	a. Social technological innovations.	and	Yearly innovative Startups (ex Decree-Law 179/2012) created directly with the Public Benefit Companies status (ex Law n. 208 /2015, Paragraphs 376-384) in Veneto: data provided by the Chambers of Commerce.	0	5
2	b. Social responsibility of innovative companies.		Yearly innovative Startups and Small and Medium Enterprises (ex Decree-Law 179/2012) that change their status into Public Benefit Companies (ex Law n. 208 /2015, Paragraphs 376-384) in Veneto: data provided by the Chambers of Commerce.	0	5

2	c. Attractiveness of benefit and responsible companies towards young talents.	Percentage of graduated (Master Degree) workers aged under-40 years that are employed by B-Corps and Public Benefit Companies and Responsible Corporations (according to the "Platform of indicators of Corporate Social Responsibility" of the Ministry of Economic Development) on the Full Time Equivalents.	-	20%
2	d. Open innovation among social innovators.	Economic value of annual research activities carried on by Universities, Research Centres and laboratories accredited to the Ministry of Education, University and Research funded or sponsored by B-Corps, Public Benefit Companies and Responsible Corporations: variation compared to 2017 accounts measured on the sample of the beneficiaries of the action.		+5%

## 9. Signature:

The Government of the Veneto Region, Human Resources, Culture and European Union Programmes Area agrees to support and promote the implementation of the Action Plan detailed above.

I confirm that I am the person in charge of signature and that I have the required authority within my organization to commit to the execution of the Plan.

Date and venue: \_\_\_/\_\_\_/201\_ - Venice, Veneto (IT)

Name and position: Santo ROMANO, Director of the Human Resources, Culture and European Union Programmes Area of the Government of the Veneto Region

Signature:

Stamp of the organization  
(if available):

