

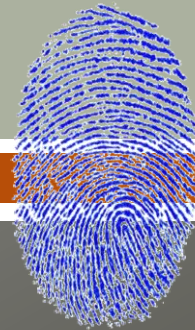


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# Tools to Measure Co-operative Performance and Impact

## REPORTING PRACTICES 1: CO-OPERATIVE IDENTITY



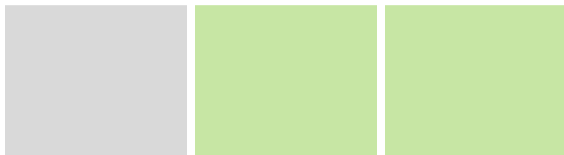


**Co-operatives of the Americas**  
A Region of the International  
Co-operative Alliance



# **“SOCIAL RESPONSIBILITY AND COOPERATIVE SOCIAL AUDIT”**

**Manuel Mariño**  
**Regional Director**



# Some concepts

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## ▶ RESPONSIBILITY.

- ▶ Thus, it is important to understand and agree that when we talk about responsibility we are talking about something we are obliging ourselves to do in relation to someone else. As far as cooperatives are concerned, responsibility is one of their main values. Responsibility within cooperatives includes an adjective that clearly states a distinctive characteristic of our solidary system: SOCIAL RESPONSIBILITY.



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# Some concepts

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- ▶ **Corporate Social Responsibility (CSR)**
  - ▶ It has been clearly defined for a long time, with interesting advances in different regulations and formulas to measure it. It is also important to remember *why and what for the concept of Corporate Social Responsibility was developed.*



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# United States

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- ▶ In the United States, the corporate world faced huge pressures especially from environmental advocacy groups, in defense of minorities and consumers. Thus, CSR appeared in the US as an answer to external groups (consumers).



# Western Europe

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- ▶ In Western Europe, companies started to face pressures and demands from internal groups, particularly trade unions. In this way, CSR was originally focused on providing answers to internal demands.



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*“is the ability of an enterprise to listen, assist, understand and meet the legitimized expectations of different stakeholders, which contribute to the development of the enterprise” (Valdemar de Oliveira Neto, Director of ETHOS Institute).*

**What do we refer to when we talk about Social Responsibility?**



*The Argentinian Institute of Corporate Social Responsibility – IARSE – says that the theme of Corporate Social Responsibility is not a finished one since talking about Corporate Social Responsibility implies the idea of process. It includes:*

**What do we refer to when we talk about Social Responsibility?**





An **INTEGRAL VISION**, since it comprises a complex number of dimensions.

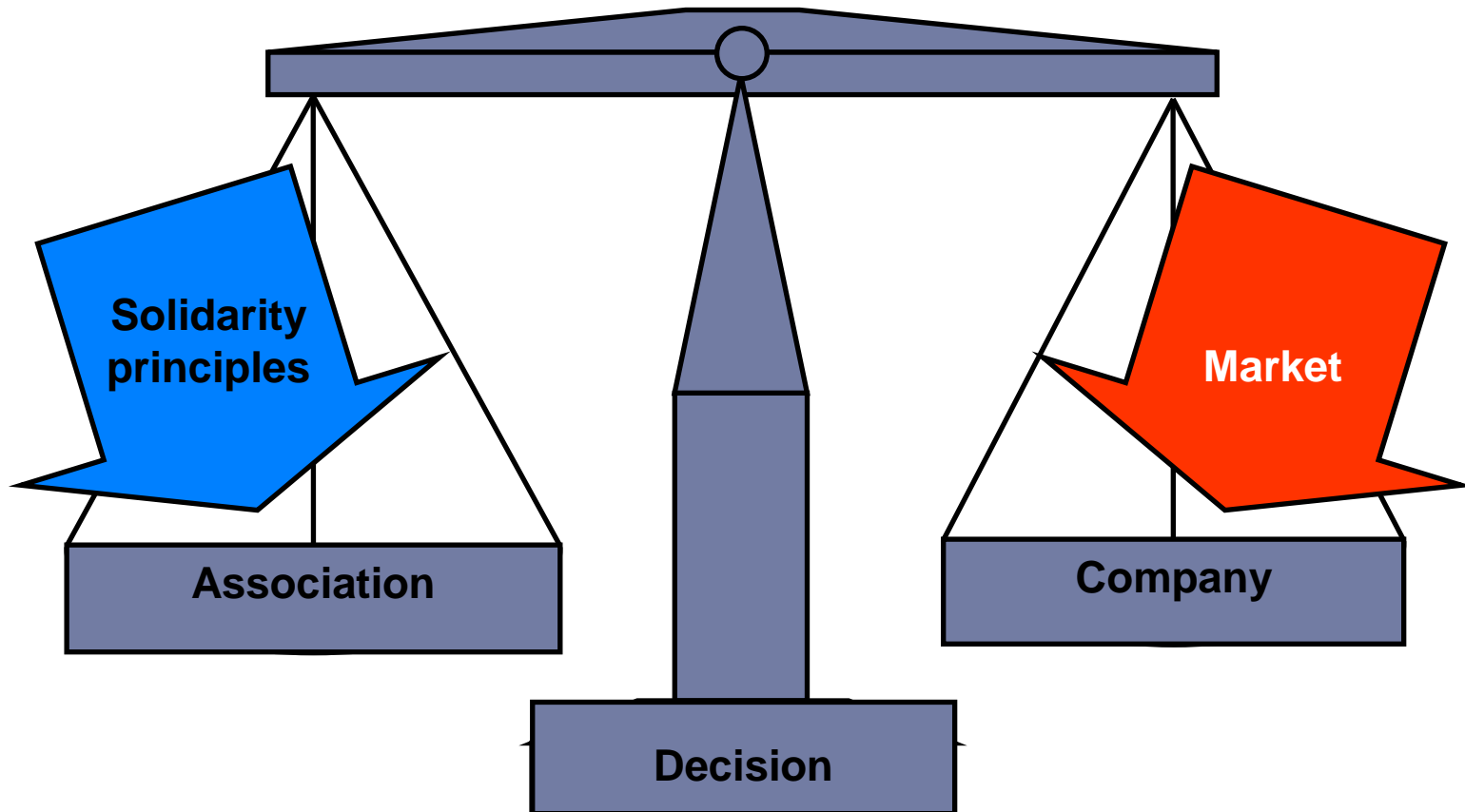
A **GRADUAL APPROACH**, since it is an excellence path to follow.

A **PROPORTIONAL NOTION**, since the expectations generated when it is put into practice are directly related to the size of the enterprise and its corresponding power or influence in the market.

A **WHOLENESS PERSPECTIVE**, since in fact, it is an idea that must include all enterprises, regardless of their kind or size.



# Social Balance



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# COOPERATIVE SOCIAL RESPONSIBILITY

▶ In different ways, the cooperative movement has been the pioneer in the development of Corporate Social Responsibility.

▶ Cooperatives -with their democratic structure based on members- have always looked beyond financial profit.

**Cooperative principles and values** have been at the heart of the cooperative business model for 150 years.

self-help

self-responsibility

Democracy

Equality

equity

solidarity

honesty

transparency

Social  
responsibility

care for  
others

- 
- ▶ Cooperatives can operate without the judgment of others since they were born in their communities and are part of them. Therefore, they cannot exercise a particular form of corporate social responsibility, since they *are intrinsically socially responsible themselves*.
  - ▶ Cooperative Social Responsibility define the essential and genuine values of cooperatives and cooperative doctrine.



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# COOPERATIVE SOCIAL AUDIT

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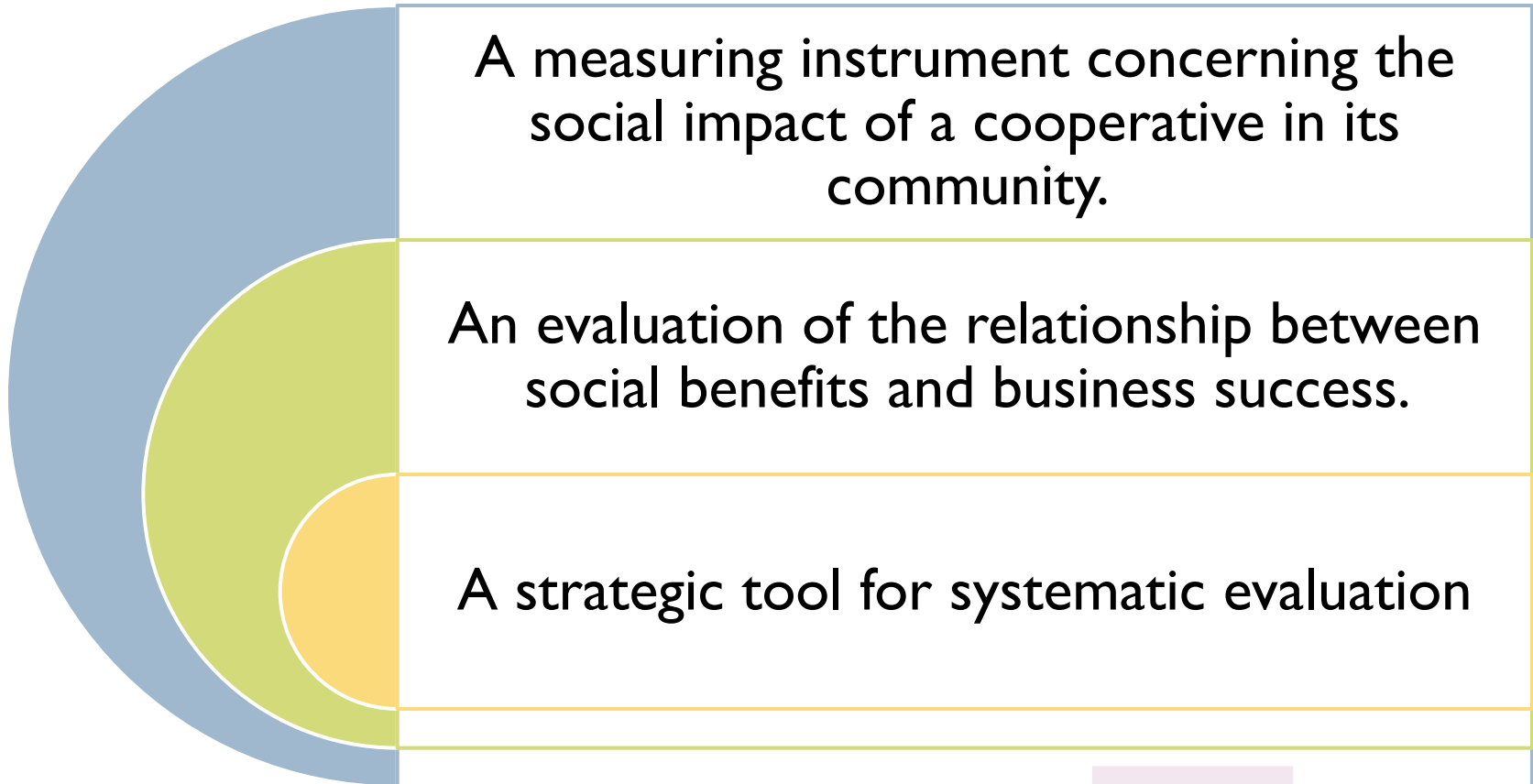
- ▶ The Cooperative Social Audit emerges as a new tool for socioeconomic management that enables cooperatives to auto-evaluate themselves and to be accountable to their member-owners and other groups, who are influenced by their actions, in relation to the fulfillment of their own essence or identity, that is to say, from the perspective of the cooperative values and principles.



# The model proposed by Cooperatives of the Americas

- ▶ It implements a set of dimensions and indicators, which systematized, enables the presentation of the Cooperative Social Audit of each organization.
- ▶ The elaboration of the Cooperative Social Audit makes it possible for cooperatives to have:

# The model proposed by Cooperatives of the Americas



# Additionally, the Cooperative Social Audit

## allows cooperatives to:

- ▶ Quantify the qualitative side of cooperative management.
- ▶ Make visible the invisible side of services.
- ▶ To weight systematically up the commitment of a cooperative to its community.
- ▶ Measure cooperative social responsibility and social policy.
- ▶ Undertake, if necessary, the needed changes to fulfill its mission.



# Additionally, the Cooperative Social Audit

## facilitates:

- ▶ The sensitization of the cooperative movement in terms of the responsibility they need to have as enterprises from the Social Economy.
- ▶ The dissemination of responsible and transparent practices.
- ▶ The articulation of the cooperative movement with public-policy makers, opening advocacy spaces.
- ▶ The production of information that ensures an educational process in the community.
- ▶ The incidence over markets and over social and political stakeholders to help create a favourable environment for the Social Economy.

# With the elaboration of the Cooperative Social Audit we aim to:

- Strengthen cooperative identity
- Provide objective data for the political defense of the movement.
- Have an influence on public policies, making it clear that cooperatives are not only efficient enterprises but also organizations with a solidarity nature.



# Cooperative Social Audit: model and process



# The objectives of the Cooperative Social Audit

- ▶ To evaluate the management regarding the cooperative compliance with Cooperative Social Responsibility over a certain period of time.
  - ▶ This makes it possible to redefine policies, draw up programs and make social investments more efficient. This results in an improvement in the relation cost/benefit for its interlocutors.



# The objectives of the Cooperative Social Audit

- ▶ As a management tool, the **Cooperative Social Audit** allows the Executive Board and Management to plan actions aimed at increasing productivity and workers' efficiency, and follow these actions up with a cooperative approach.

# The objectives of the Cooperative Social Audit

- ▶ Cooperatives can have access to information about their human resources and about the cooperative relationships with the sectors of the community it is linked to, so as to adequately inform the public about its social performance.

# The objectives of the Cooperative Social Audit

- ▶ It allows cooperatives to update policies and programs since the **Cooperative Social Audit** is an effective instrument to measure and control consequences, costs and benefits derived from the enterprise actions.



# Requirements

The existence of a Social Policy

Support from Top Management

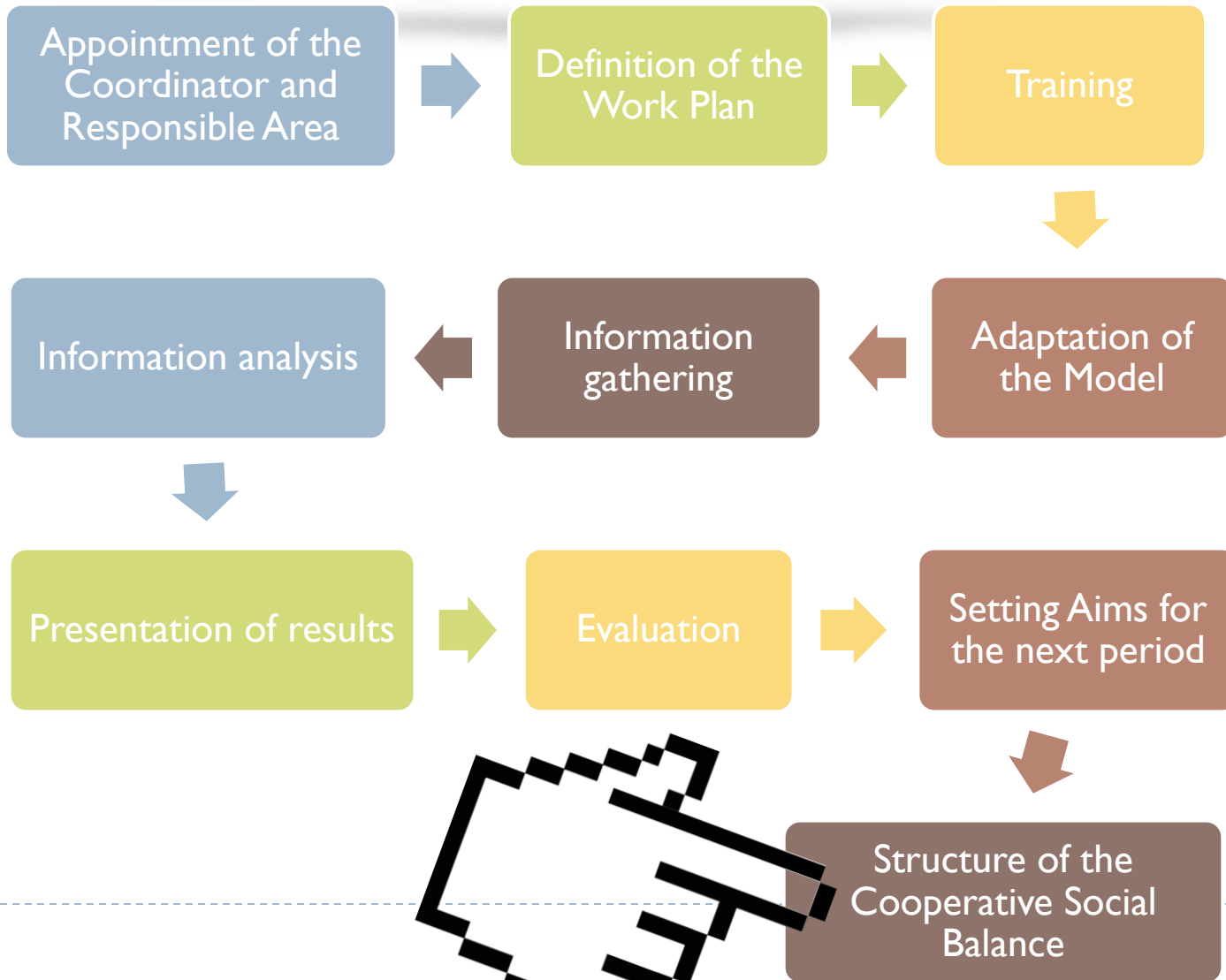
Existence of an Integral Corporate Strategy

Understanding of the concept and content of the social  
Balance.

Definition of Objectives and Aims



# METHODOLOGY



# STRUCTURE OF THE COOPERATIVE SOCIAL BALANCE

- Mission
- Analysis of compliance with cooperative principles and their main dimensions to ponder.



# 1st. Principle: “Voluntary and Open Membership”

- Dimension 1: “Cooperative Openness”
- Dimension 2: “Cooperative Identity”
- Dimension 3: “Voluntary disaffiliation from the cooperative”
- Dimension 4: “Non-discrimination”



# 2nd. Principle: “Democratic Member Control”

Dimension 1: “Participation in Assemblies”

Dimension 2: “Accessibility to social positions”

Dimension 3: “Real balance of power among members”

Dimension 4: “Work Democracy”  
(Working Environment – Human Potential”



# 3rd. Principle: “Members’ Economic Participation”

Dimension 1: “Capital as mutual property”

Dimension 2: “Limited Compensation to  
Capital”

Dimension 3: “Surplus Allocation”

Dimension 4: “Cooperative Added Value”

Visible Cooperative  
Added Value

Invisible  
Cooperative Added  
Value



# 4th. Principle: “Autonomy and Independence”

Dimension 1: “Economic and Financial Independence”

Dimension 2: “Autonomy of non-members”

Dimension 3: “Policy of Prevention of money-laundering and financing of terrorism”.



# 5th. Principle: “Education, Training and Information”

Dimension 1: “Investment in Education”

Dimension 2: “Education and Training Activities”

Dimension 3: “Contribution to development through education and training processes”

Dimension 4: “Investment in Communications”

Dimension 5: “Channels for Communication”



# 6th. Principle: “Cooperation among Cooperatives”

Dimension 1: “Representative Integration”

Dimension 2: “Business Integration”

Dimension 3: “Collaborations given and received from other cooperatives”





# 7th. Principle: “Concern for Community”

Dimension: “Cooperative Concern for  
Community”

Environment

Cultural and sporting themes

Health

Improvement of the living standards of  
members and their families

Presence in the community

Other commitments to the community





# Additional Information

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- ❖ Services/Needs met.
  - ❖ Strategic Plan.
- ❖ Organizational Cooperative Development.
  - ❖ Women's Participation.
  - ❖ Youth's Participation.
- ❖ Special actions with the community.
  - ❖ Personnel Mutuals
- ❖ Other entities that integrate the Associative Group (for example cooperatives that own foundations)
- ❖ Surveys and their results (if they are requested and approved by the corresponding governing bodies).
  - ❖ Member satisfaction indicators
- ❖ Other types of information depending on the characteristics of the organizations.

# Primer Principio "Membresía Abierta y Voluntaria"

Variables

Indicadores

## Dimensión 1: Apertura cooperativa

Total de trabajadores/as  
 Total de trabajadores/as permanentes  
 Total de trabajadores/as contratados  
 Trabajadores/as asociados/as  
 Nuevos trabajadores/as asociados/as  
 Nuevos puestos permanentes  
 Nuevos puestos permanentes mujeres  
 Nuevos puestos permanentes varones

- Peso de asociados trabajadores con respecto al total de trabajadores
- Peso de asociados trabajadores en plantilla permanente
- Peso de asociados consumidores en ventas
- Peso de asociados proveedores en aprovisionamientos
- Peso de asociados en préstamos
- Peso de asociados depositantes en depósitos
- Antigüedad relativa de los asociados

Altas asociados/as

	Valor absoluto	% del total de asociados
De 0 a menos de 5 años		
De 5 a menos de 10 años		
De 10 a menos de 15 años		
Total		
<b>Antigüedad media de pertenencia a la cooperativa</b>		<b>años</b>
<b>Antigüedad relativa de los asociados</b>		

Altas asociadas mujeres  
 Altas asociados varones  
 Asociados/as totales

Número de asociados/as con operaciones en la cooperativa

Ventas a terceros/as no asociados/as  
 Ventas a asociados/as consumidores  
 Ventas totales

Compras a asociados/as proveedores  
 Compras totales  
 Saldo vivo depósitos de asociados/as  
 Saldo vivo préstamos a asociados/as

- Nuevos asociados de trabajo en relación a nuevos puestos laborales permanentes
- Nuevos asociados ('expansión cooperativa')
- Desembolso inicial exigido a los nuevos asociados
- Asociados activos: total de personas que acceden a los servicios de la cooperativa

Saldo vivo depósitos totales  
 Saldo vivo préstamos totales  
 Años de vida de la cooperativa  
 Desembolso mínimo exigido a nuevos asociados/as  
 Salario mínimo interprofesional  
 Asociados/as distribuidas por localidad o distrito ó sucursal  
 Edades de asociados varones  
 Edad de asociadas mujeres  
 Total de asociados/as en los últimos cinco ejercicios

## Dimensión 2: Salida voluntaria de la cooperativa.

Bajas de asociados/as  
 Motivo de las bajas  
 Capital comprometido a devolver  
 Fondos propios totales  
 Capital devuelto a asociados  
 Capital total

- 12 Bajas de asociados
- 13 Devolución de capital
- 14 Ritmo en la devolución de capital

## Dimensión 3: No discriminación

Mujeres asociadas  
 Hombres asociados  
 Mujeres trabajadoras asociadas  
 Total mujeres trabajadoras  
 Hombres trabajadores asociados  
 Total hombres trabajadores  
 Población económicamente activa de la localidad  
 Mujeres económicamente activas de la localidad  
 Hombres económicamente activos de la localidad

- 15 Porcentaje de mujeres en los asociados
- 16 Porcentaje de mujeres trabajadoras asociadas en relación a trabajadoras mujeres
- 17 Porcentaje de mujeres trabajadoras asociadas en relación a trabajadores hombres
- 18 Porcentaje relativo por cuestión de género en acceso a condición de asociado
- 19 Edad media de los asociados

	Hombres	% del total	Mujeres	% del total
Menos de 20 años				
De 20 a 30 años				
De 31 a 40 años				
De 41 o más años				
Personas jurídicas				
Edad media en años				
Edad media en años (todos los asociados)				

- 20 Porcentaje relativo en la relación mujeres asociadas y mujeres activas localidad
- 21 Porcentaje relativo en la relación hombres asociados y hombres activos localidad

## Cuarto Principio "Autonomía e Independencia"

Variables

Indicadores

### Dimensión 1: Independencia financiera / económica

Fondos propios

Capital cooperativo suscrito

Activo total

Capital cooperativo integrado

Donativos totales recibidos

Donativos recibidos en el período

Excedentes

Activo Corriente

Activo No Corriente

Pasivo total

Pasivo corriente

Pasivo No Corriente

Patrimonio Neto

Resultado del ejercicio

**1** Independencia financiera 'estrecha'

**2** Independencia financiera 'amplia'

**3** Peso histórico de los donativos

**4** Aporte relativo de los donativos en el ejercicio

Índice de liquidez

Índice de Endeudamiento

Índice de Solvencia

### Dimensión 2: Autonomía de partícipes no asociados

Ventas o depósitos totales

Ventas o depósitos a 10% mayores clientes no asociados

Compras totales

Compras a 10% mayores proveedores no asociados

Fondos ajenos totales

Préstamos a 10% mayores prestamistas no asociados

**5** Diversificación de clientes no asociados

**6** Diversificación de proveedores no asociados

**7** Diversificación de prestatarios no asociados



**Co-operatives of the Americas**  
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(506) 22960981

aciproductos@aciamericas.coop

[www.ACIAMERICAS.coop](http://www.ACIAMERICAS.coop)

