

# 9 Cross-Sector Partnerships

## A Social Innovation in the European Work Integration Sector

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### Introduction

As the European Commission (2014) notes, many socially marginalized people have difficulty entering the labor market because they do not have the requisite skills, education or experience. For these individuals, taking a straight-forward training course may not be enough to help them into work. Using this issue as a starting point, this study intends to examine how cross-sector partnerships have developed in different European countries as a social innovation aimed at addressing the problem of work integration for disadvantaged people.

An initial exploration of the field of work integration in European countries (Lallemand Stempak et al., 2015) led us to select four countries in order to cover the diversity of the field at the European level: France, Spain, Germany and the Czech Republic. As outlined in the methods chapter of this book, we conducted a cross-country comparative characterization of social innovation in the work integration sector and identified three interesting innovations, present in each of the four selected countries: work integration social enterprises, integrative approaches to work integration and cross-sector partnerships. As we compared how these three innovations emerged and unfolded in the four selected countries, guided by expert advice, we chose to focus our enquiry on cross-sector partnerships (hereafter CSPs) as an innovation with interesting variance across countries and as well as a strong potential for social impact.

We found instances of CSPs, where public actors, companies and third sector organizations join forces to contribute to work integration, in the four countries of interest, yet they took different forms. In the Czech Republic and in France, we identified narrow but deep partnerships, involving two partners collaborating around a localized project, with a specific profile of beneficiaries, in a specific industry. In Spain, we encountered a much broader partnership federating more than 1,000 organizations. More broadly, we

observed vast differences between countries as to the degree of advancement in developing CSPs, the actors involved, the type of partnerships (who is involved and how?), the beneficiaries targeted and factors enabling the development of partnerships. In this chapter, we present these specificities and reflect upon what they may teach us about social innovation in Europe.

## Central Concepts

### *Work Integration Programs for Disadvantaged People*

We detail here the central concepts and key questions of our enquiry. Given our focus on the work integration of disadvantaged people, we started with defining *disadvantaged people* as

people with low or no qualification at all (sometimes to the point of illiteracy), family issues (such as having to provide for several children as a single mother or having been abused by a partner etc.), lack of cultural and social capital (which might include immigrants who don't know the local language), poverty and housing issues. To these structural causes of disadvantage must be added the long-term effects of events that are in part driven by choices, missteps and job accidents, such as spending some time in jail or, more commonly, becoming long-term unemployed. Of course these issues are not exclusive of each other. Most of the time, they cumulate.

(André et al., 2015)

Given the richness and diversity of the work integration sector, we narrowed down our focus by looking at *work integration programs* that are transitional initiatives rather than long-term programs providing an alternative work universe (such as adapted work conditions and programs for the long-term disabled). The aim of a transitional occupation is to provide work experience to these disadvantaged people with the purpose of achieving their full integration in the open labor market after a set period. We focused on organizations or programs which target disadvantaged people, meaning long-term unemployed people (i.e., people whose time unemployed exceeds one year) with low qualification.

### *Cross-Sector Partnerships*

As mentioned, three possible developments in social innovation streams were initially considered in the field of work integration: *work integration social enterprises* (WISEs) that are organizations (associations or enterprises) which hire disadvantaged people for a limited period to produce goods and services sold on the commercial market. As such, they offer a

pathway to full integration in the labor market. They typically combine a professional activity with personalized professional and social support. *Integrated approaches to work integration* emerged in recent years as holistic approaches aiming at addressing the issue of work integration by taking into account the multiple problems disadvantaged people face (including health, housing, literacy or administrative issues). Recently, some work integration initiatives have started to offer integrated, customized support to the unemployed people targeted by the initiative. *Cross-sector Partnerships* (CSP) is the less well-documented area of governments, associations and enterprises working together on work integration schemes but has been considered particularly innovative by the field experts we consulted across the countries involved in the research. WISEs were identified by the experts as a promising social innovation to study too, but it was considered as not really innovative in France, where WISEs have been widespread entities since the late 1970s.

Having reviewed the literature on the definition of *cross-sector partnerships*, which started to develop in the late 1990s, we found that no widely accepted definition exists, and that the diverse definitions available often lack clear criteria that allow partnerships to be classified in practice (e.g., Dahan et al., 2010; Rondinelli & London, 2003; Milne et al., 1996). This led us to put forward a definition that is both precise and workable. This definition was informed by the input that each academic partner provided on the partnerships they proposed to investigate. It was further discussed with, and tested by, an expert in cross-sector partnerships in France.

As a result, we defined a *cross-sector partnership* along five dimensions that we used as criteria to select our case studies.

- Involving partners from *more than one sector*. Partnerships involving three or more partners can be included, but the presence of three sectors is not required.
- *Being formalized* to some degree. It is not necessary that the partnership be an organization in its own right. It suffices that the project has a name, a website, a legal status or a physical location, or that there is a contract defining the partnership.
- Benefiting from the *investment of resources from each partner*. These resources could include time, money, skills or reputation.
- *Relying on reciprocity*. Each party must contribute towards the objectives of other parties, or towards shared objectives.
- Ensuring the *representation of partners from each sector in the governance* of the partnership.

In our attempt to define our focus of enquiry, we narrowed our definition to rule out less innovative forms of collaborations. In consultation with our academic partners in the four selected countries, and building upon previous

work on CSPs (Le Rameau, 2015), we focused more specifically on two types of partnerships, namely CSPs promoting:

- Economic cooperation (i.e., cross-sector partnership involving the co-creation of a new joint product, service or unit).
- New approaches to social needs (i.e., cross-sector partnerships creating innovative practices to respond jointly to a social need encountered in the course of work integration initiatives).

## **Methods**

Within the broader framework of the ITSSOIN project and methodology, we followed the following methodological steps.

### *Case Selection*

Following this choice of CSPs as our focus of enquiry, we studied specific CSPs in the four selected countries (France, Germany, Spain and the Czech Republic), with the goal to unpack the specificities of this type of innovation in each country. Our academic partners identified and researched cases in their respective countries. This was a broad effort, screening initiatives across the country and guided by desktop research as well as expert advice. The resulting repertoire of partnerships was very wide, comprising for instance over 100 examples of cross-sector collaboration in Germany, of which around 30 were particularly promising and fitting our research focus. On the basis of this research, we however also found that, except in the case of France, there was only a small number of cross-sector partnerships that met the five dimensions defined as criteria in the previous chapter. In particular the governance aspect and the initial ambition to find collaboration from all three sectors were hard to fulfill. The further aspect of the cases having reached some scale was impossible to fulfill in the Czech Republic, where we had to choose an individual, rather small scale initiative of a call center in a prison that came closest to our conception of CSPs. In the French case instead, a short-list of partnerships had to be drawn up to choose between exemplary cases in a pool of CSPs.

### *Data Collection*

In each country, we collected both archival and interview data. Researchers collected archival data on the field of work integration and on CSPs more specifically. It consisted of reports, websites, studies, and articles published on work integration. In addition, researchers conducted two types of interviews. Interviews with experts used to understand the specificities and dynamic of the work integration sector in that country. Four experts were interviewed in France, two in Germany, three in Spain and four in the Czech

Republic. Interviews with case protagonists were conducted to understand in depth the content and evolution of selected CSPs as exemplary for the broader social innovation stream.

Six case protagonists were interviewed in France, ten in Germany, nine in Spain and eight in the Czech Republic. All interviews were recorded and transcribed in the local language. All countries used a locally translated version of the interview guide provided by the University of Heidelberg. In each country academics coded the interviews that they had undertaken in line with the associated coding guide.

### **Tracing the Social Innovation Stream**

The time horizon over which cross-sector partnerships in the field of work integration developed is quite different across countries: specifically, they began to emerge in France in the early to mid-1990s but in other countries, it was not until 2010 or later that cross-sector partnerships emerged. Thus we have adopted a flexible timeframe that allows for differences in development stages across countries. For France, we start in the early 1990s. For the other countries, we start around 2010.

The study was conducted at a time where European Countries had to face two major events likely to impact CSPs. First the economic crisis that has struck the European countries since 2008 has had different impacts on the economy and the employment rate across the continent. Another important external jolt is the impact of the rising number of refugees and migrants who came to the European Union since 2010 to seek asylum and better living conditions. Migrants and refugees are far from being the only persons concerned by work integration programs. But their growing numbers constitutes a great challenge in terms of work integration. EU member states received over 1.2 million asylum applications in 2015, a number that more than doubled in a year. Yet, all the European countries are not impacted in the same way. Germany, Hungary, Sweden and Austria received around two-thirds of the EU's asylum applications in 2015 (Eurostat, 2015). Their integration in the work market is important to ensure their social integration, yet it represents a challenge due to the differences in culture, language and diplomas.

We now present a cross-country perspective on cross-sector partnerships (CSP) in the work integration field. Particularly interesting are the differences that we observed across the countries that we studied (France, Germany, Spain and the Czech Republic), both in terms of the number of partnerships identified, as well as in terms of the content and scale of partnerships. We found striking differences between France, where CSPs have been developed and partly institutionalized, and the other countries, where CSPs remain exceptional occurrences. This translates into the way that we present our findings: we describe the evolution of the concept and practice of CSPs in France before we go into analyzing the engaged actors and their

interplay within this broader development, whereas we focus mainly on describing specific CSPs in the other countries.

### *SI Stream in France*

The French case stands out because it has a long history of cross-sector partnerships in the field of work integration, in contrast to some other countries in our sample. Yet, as our expert consultation highlights, this does not mean that collaboration has become widespread in France. Indeed, some argue that the development of links between WISEs, often the entity the CSPs have evolved from, and the world of business fall short of what is needed.

The first WISEs emerged in France at the end of the 1970s as entrepreneurial not-for-profit organizations founded by social workers who recognized, in the context of rising unemployment, the need to create “intermediary enterprises” (as WISEs were initially called) to help at-risk youths and long-term unemployed people learn—or relearn—the skills needed to get and hold down a job. The founders of WISEs developed a simple model: they created companies that hired the long-term unemployed for a maximum of two years to produce goods and services in low skilled industries (such as construction, catering, gardening, temp work or recycling), which are then sold at market price. Through caring supervision, tailored training programs and individual social counseling, they helped long-term unemployed people readapt to the world of work, regain self-confidence, and find jobs in mainstream companies at the end of their two-year contract.

Over the years, the French State identified the ability of these organizations to tackle structural long-term unemployment. Various laws (in 1979, 1985, 1991, 1998 and 2006) progressively provided structure for this emerging field. The State developed an accreditation process that granted systematic financial support to accredited WISEs to offset the opportunity cost of employing less productive people who require extra supervision and training. In recent years, on average, these subsidies have accounted for about 20% of WISEs’ revenues, while sales represent the remaining 80%. Accreditation is conditional on WISEs hiring those most deserving long-term unemployed (as identified by criteria set out by the National Agency for Employment) and report on their ability to successfully place them in real jobs (as measured by the rate of positive graduation). Other than these two constraints, WISEs are free to organize and operate as they see fit.

CSPs in work integration are today characterized by a few important partnerships, mainly between large WISEs and private commercial firms. Whereas public actors did not play an operational role in the CSPs that we studied in France, they played the important role of creating the framework in which CSPs between WISEs and commercial firms operate. They played the important role of accrediting and financially compensating WISEs for the lower productivity of the long-term unemployed that they hired. They

further introduced specific regulations, such as “social clauses”, that created important incentives for the development of CSPs.

Existing CSPs have enhanced the capacity of the WISEs to offer credible pathways into stable, long-term jobs in the private sector. The WISEs that participate in these partnerships are, to our knowledge, among the largest WISEs in France, including Ares, Vitamine T, Groupe Id’ees and Réseau Cocagne. Indeed, these larger WISEs have sometimes multiple partnerships with the private sector actors, or, in the case of Réseau Cocagne, succeeded in federating a large number of private actors to conceive, develop and fund the scaling up of their activities. The literature and expert interviews paint a different picture for small WISEs—who may be too small to stand out as credible partners for private firms seeking collaboration in this sector.

Several factors seem to drive firms to enter into partnerships with WISEs. One is to conquer new markets or generate a new client base. For example, Belgian group Van Gansewinkel was able to create its first factory on French soil through its partnership with WISE Vitamine T in the north of France. Another motivation is to access a larger pool of potential employees. Indeed, that was one of the motivations of Norbert Dentressangle in entering into a partnership with the WISE Ares, that would help train unemployed disabled people in logistics. Further, corporate foundations such as Fondation Veolia and Fondation Chanel often seek to engage the employees of their parent companies in meaningful social projects; they do so by funding and participating in projects which speak to employees’ values and concerns. Work integration is often a cause that ranks high on employees’ priorities because it is palpable and speaks to employees who are, by definition, familiar with work environments.

Despite this collective commitment to address long-term unemployment by actors from all three sectors as well as the development of model partnerships, more is needed to address the issue of unemployment, especially for the most disadvantaged groups. Indeed, a report showed that the obligation that WISEs must fulfill in order to be eligible for state subsidies to report on their rate of reintegration to the mainstream labor market gave WISEs the incentives to work with the least disadvantaged people in long-term unemployment, in order to keep their re-integration statistics competitive (Baculard & Barthelemy, 2012). Whereas CSPs appear as a promising avenue to enhance the scale and effectiveness of work integration initiatives, they remain unevenly distributed, and limited to a few large pioneering organizations. An expert we interviewed summarizes it:

We have a hard time replicating CSPs. It’s pioneering, though it’s getting better and better known.

Work integration CSPs developed in France around two important milestones (Figure 9.1): 1) the introduction of “social clauses” in French public

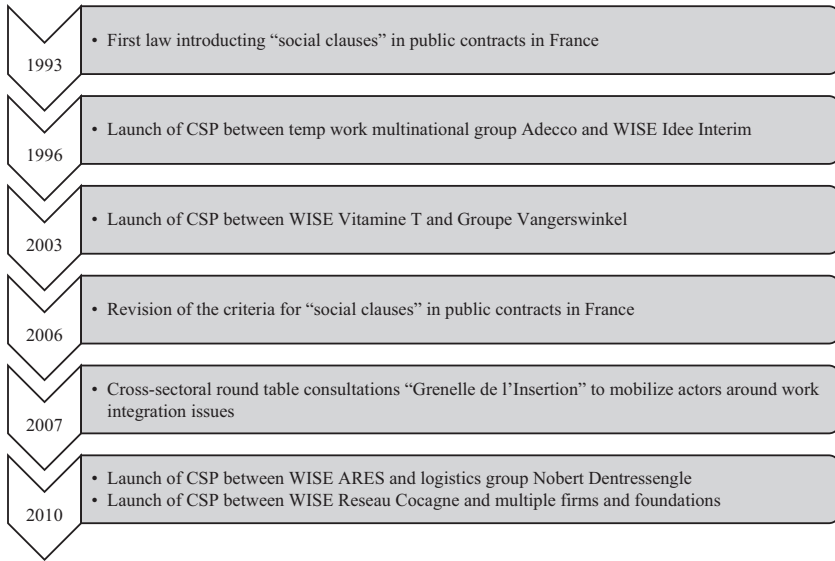


Figure 9.1 Milestones for the development work integration CSP in France

law and 2) the roundtable consultations “Grenelle de l’Insertion” convened by the French government to mobilize all three sectors (public, private and third) to enhance the impact of work integration policies.

The introduction of “social clauses” in French public law in the mid-1990s created incentives for companies to collaborate with WISEs to win competitive government-issued call for tenders. Social clauses are a stipulation in a local or national government contract that the winner of a tender should work towards a social or environmental objective: in this case, work integration. The clause might require that bidders who have a work integration objective are favored in the tender process, or it could go so far as to state that WISEs are the only sort of organization that can win the contract. The first social clauses for work integration were explicitly encouraged by a ministerial memo in 1993. Whilst private sector companies can put social clauses in their call for tenders, the original impetus (and their widest use) came from the public sector. Although during our interviews with Id’ees Interim and Adecco’s, neither party mentioned social clauses as a motivation for their partnership, which started in 1996, not long after the introduction of social clauses.

Regulation defining the purpose and usage of “social clauses” has evolved over time, with the possibilities ranging from a mere “declaration of intention” to a legally binding requirement, with support from the European Union. From 2006 on, French public authorities have been given the possibility of either: 1) attributing the market based on price and quality of



product criteria, but stipulating that an insertion objective must be attained by the firm that wins the market, or 2) making insertion objectives one of the criteria under which the contract is attributed. It is important to highlight that while providing important incentives for private companies to engage in CSP with WISEs, social clauses do not guarantee a robust approach to work integration. “Quite a few social clauses are badly managed, or simply consist in box ticking”, cautions an expert that we interviewed. Their positive impact on work integration must thus be assessed on a case-by-case basis.

To further encourage the wide mobilization of actors around work integration, and under the pressure from major non-profit networks involved in poverty reduction, the French government launched, in 2007, the “Grenelle de l’Insertion”, a government-sponsored year-long consultation on work integration. In that context, every aspect of the work integration ecosystem was examined and debated, with a view to reform. The crucial role of private enterprise was highlighted in the final report:

Without [companies], without taking into account their constraints, we will not be able to change the scale of access to work. We cannot successfully fight social exclusion without an increase and a clarification of actions and policies using and mobilizing private enterprises. The investments of private enterprises in this area must rest not only on their goodwill but also on their interests and needs. Work integration efforts [on the part of companies] should not only be short-term actions motivated by social engagement but rather strategic engagement based on a pragmatic recognition of their interests.

(Grenelle de l’Insertion, 2008)

The “Grenelle de l’Insertion” brought about several notable developments, including the mobilization of employers’ unions (MEDEF, UPA and CGPME) to promote exemplary CSPs and encourage more of them. As a result of a recommendation of this consultation, employers’ unions and the WISE federation produced a model legal agreement that could be used by a private firm and a WISE who wanted to conclude a partnership agreement. This was important, because from a legal perspective in France, concluding a partnership agreement is not simple.

Despite these positive evolutions encouraging the development CSPs in France, obstacles remain in the way of their generalization and positive impact. A first obstacle is the fragmentation of the sector. Historically, the sector developed around various work integration models (*associations d’insertion, entreprises d’insertion, régies de quartier*) promoting different visions for work integration, leading to the structuration of different—and at times competing—professional organizations. As a result, the sector is not easy to comprehend for outsiders, and remains largely fragmented, composed of small organizations operating with different legal forms, making

it challenging for larger corporations to find adequate work integration partners. It is likely no coincidence that cross-sector partnerships that we have identified in the course of this research project have involved larger WISEs, notably Groupe Id'ees (4,000 “social” employees), Vitamine T (1,800 “social” employees) and Ares (650 “social” employees). An additional obstacle includes the perception, by SMEs, that WISEs are unfair competitors, because they operate on the same markets as they do, while receiving public subsidies. Although the employers’ unions recognized, during the “Grenelle de l’Insertion” that these subsidies only fairly compensate for the lower productivity of the people that WISEs employ, this perception remains, at times, an impediment to closer collaborations between for-profit companies and work integration actors.

### *SI Stream in Germany*

The field of work integration in Germany has historically been very state-centered. Bureaucratic restrictions and training requirements for job candidates, and the dominant position of the German employment agency as well as economic disincentives for enterprises to take on under-qualified employees have resulted in a lack of innovation in the field over the last few decades (Bode, 2011; Preuss, 2015a, 2015b). However, with the liberalization of regulations in 1997 (Employment Promotion Law by the Code of Social Law III (SGB III)), work integration providers from private companies and the third sector have gradually made their way into the field (Bäcker, Naegele, Bispinck, Hofemann, & Neubauer, 2010; Oschimansky, 2010). In the light of an ongoing skills shortage, private enterprises have changed their outlook, leading to an increasing openness to engage in work integration initiatives. Actors from different sectors have become more willing to cooperate to achieve their varied economic, political and social interests.

While work integration partnerships in Germany were traditionally limited to collaborations between the public and private for-profit sectors (PPPs), excluding the third sector, in our screening we have witnessed a recent and gradual evolution from PPPs to CSPs involving the third sector. This, according to one expert, is due to the growing recognition that the competencies brought in by civil society actors, as well as academic actors, are valuable in achieving better work integration outcomes, in particular when addressing vulnerable target groups such as disadvantaged youths, or, more recently, refugees. Co-occurring context factors can further explain this growing interest for CSP, including skills shortages in industrial markets as well as the recent significant influx of refugees as a result of war and humanitarian crises.

Thus, initiatives involving partners from all three sectors in a formalized fashion are a novel phenomenon in the field of work integration in Germany. One of our interviewees referred to this as “triple” or “quadruple” helix arrangements, the latter referring to the additional involvement of universities. In the work integration sector, these initiatives are perceived as

“best practice examples” that could be promoted and extended to a bigger scale, inspiring state programs. Yet, we haven’t found any of these initiatives run on a large-scale basis as of now. Following the methodology described previously, we studied two exemplary cases in Germany.

### “Arrivo”: Milestones and Key Actors

Arrivo—Flüchtling ist kein Beruf (“Refugee” is not a profession) has been initiated by the Chamber of Crafts Berlin (private sector), Schlesische27 (third sector) and the Senate of Berlin (public sector), with the goal to integrate refugees into the labor market. The CSP was launched in Berlin in December 2014 and draws on experiences from previous projects and networks, including the “Bridge”, a loose partner network on the issue of forced migration. The three main partners draw on the complementary strengths of many regional and national stakeholders (including multinational firms; around 50+ regional businesses (low, medium and large businesses)). The Chamber of Crafts Berlin serves as the umbrella organization for 30,000 local businesses in Berlin. It has been active for more than 20 years, encouraging networking among member companies or promoting quality standards in craftsmanship. Schlesische27 is an educational institution, organized as a registered society (*eingetragener Verein*), promoting intercultural learning. It has been in existence for 36 years. The Senate of Berlin is the governmental institution of the federal state of Berlin. It is headed by the city’s mayor (*Senatsverwaltung für Arbeit, Integration und Frauen*) and consists of eight chambers. One of them, the Chamber of Labour, Integration and Women, is involved with Arrivo.

The development of the partnership began with an informal contact between the Chamber of Crafts, the Senate of Berlin and Schlesische 27, who spurred and were integrated in this partnership, since they owned expertise in working with migrants for many years. The campaign *Arrivo-Flüchtling ist kein Beruf* was launched with a large poster and radio campaign, to sensitize the public and firms for this topic. The “Bridge” network served as a blueprint for Arrivo. But because the former is focused on refugee self-determination rather than work integration, a new approach proved necessary. Some earlier forays into the field were made by the project “*Bildungsmanufaktur*”, which had a more pronounced work integration emphasis to it and was meant to build a connection and intensify contacts to the guilds.

After the CSP was initiated, a learning center was built at the location of Schlesische27, where refugees could experiment with and demonstrate their work skills at different activities. This enabled Schlesische27 to learn about their competences in different fields. Three months after the CSP started operating, the first refugee found a placement in a local firm via Schlesische27 and started his on-the-job training (Figure 9.2). Given the increasing number of people seeking asylum from the middle of 2015 onwards, the partners collectively decided to expand the partnership and started seeking

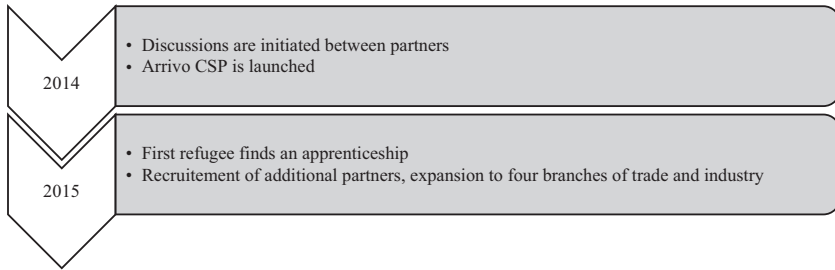


Figure 9.2 Milestones for the Arrivo CSP in Germany

the participation of more firms located in or around Berlin. Step by step the project was expanded: it covered, in 2016, four different branches of trade or industry.

The pilot phase resulted in 15 placements. This number rose to 400 placements as of early 2017. The complementary program “Arrived” focuses on supporting those refugees who have taken up a formalized training through “Arrivo” and is run by Chamber of Crafts.

#### *“Rock Your Company!”: Milestones and Key Actors*

“Rock Your Company!” (RYC) was initiated by the Rock Your Life! gGmbH, a non-profit private limited company, and is run as a project under its roof. While Rock Your Life! focuses on external mentoring relationships between university students and educationally unprivileged pupils, RYC offers in-house mentoring for disadvantaged young trainees within companies. The project was launched in 2015 and draws on existing experience and contacts established by Rock Your Life!, including partner companies and foundations as well as staff and volunteer members. The two project coordinators of RYC formerly worked as volunteers for Rock Your Life!. The supervision and consultation of in-house mentors within RYC is also organized and carried out by trainers from Rock Your Life!. Staff of the participating companies is trained to be able to offer effective support to the trainees.

RYC supports undereducated youth to successfully complete their apprenticeship by developing trainees’ soft skills through a one-year mentoring program. When soliciting companies, RYC insists on the opportunity to invest in initiatives related to CSR and position themselves as attractive employers on the market for apprentices. Stakeholders of RYC mainly involve actors from the private sector such as banks (Credit Suisse, German National Bank) or firms in the hotel industry (Ibis Hotels, Novotel). Additional partners include private non-profit actors, such as Caritas, or Kiron Higher Education, a social entrepreneurial start-up that aims at providing

access to university education for refugees through massive open online courses in the first phase of studies as well as through support to join established universities. The training of mentors provided by RYC is funded in half by the participating firms and in half by the German Chamber of Industry and Commerce (IHK). Overall the CSP is based on mutual agreements between RYC and HR managers at the participating firms. While RYC initially focused on growing the number of firms involved beyond the initial circle of Rock Your Life! partners, it recently decided to focus on investing in the quality of cooperation by means of conceptual development of the program.

RYC has so far received funding from various foundations, including the Aqtivator gmbH, PHINEO Stiftung, Karl Schlecht Stiftung, and Wübben Stiftung. It is intended to gradually set the project free from these investors to gain more financial independence. To reach this aim, "Rock Your Company!" introduced member fees for participating companies and is currently planning to increase the share of those in their overall budget.

"Rock Your Company!", the donating foundations and other partners could not have set up a similar project alone as the central stage for success or failure of the work relations with young trainees is set within the enterprises. As some companies do already follow similar projects without involving external partners, it can be supposed that setting up a mentoring program such as "Rock Your Company!" could have been achieved by the private actors themselves. However, what appears crucial for the success of "Rock Your Company!" is the idea of setting up a community spirit among participating companies and clients which motivates mentors and trainees to participate. These resources and motivation would be lacking if one of the partners was left out. The expansion of the partnership with Kiron and IHK offers opportunities to extend the general CSP model to new target groups.

### *SI Stream in Spain*

The field of work integration emerged in Spain around WISEs, which appeared at the beginning of the 1980s with the goal of fighting social exclusion caused by long-term unemployment amongst those with low levels of employability. The first WISEs were created by leaders of local neighborhood and church associations, without formal support and on a voluntary basis, with the aim of creating jobs for people with low levels of employability. The approach used was based on personalized work paths, combining theoretical with practical training within a real working environment, in addition to offering the support services that such people usually need (Vidal & Claver, 2005). In this sense, WISEs emerged in Spain as spontaneous initiatives of civil society to solve problems of work integration. The public sector plays a role in regulating, funding and supplying work integration initiatives. In particular, Autonomous Communities run their own employment services, and local authorities often provide complementary

employment services. Yet according to the experts interviewed, a public strategy to truly developing a work integration ecosystem in the country is missing.

The severe economic crisis that hit Spain from 2009 on and destroyed a third of the jobs of the middle class made the need for work integration more prevalent and urgent. The increasing need for work integration services has put pressure on the public service providers of work integration and encouraged third sector organizations as well as some private companies in the context of their CSR policies to play an increasing role in the provision of work integration services for the most disadvantaged.

In 2012, due to the unsustainable situation of unemployment in Spain as a consequence of the economic crisis, “Together for the employment of the most vulnerable people” (“*Juntos por el empleo de los más vulnerables*”) emerged. It is a social innovation based on the partnership of the private sector, third sector and public sector to search for alternative ways of promoting employment and self-employment of the disadvantaged. This initiative is led by Accenture through its corporate foundation. Its innovativeness stems from the fact that it is the first CSP for work integration in Spain. It currently gathers the collective efforts of over 1000 organizations from the three sectors. While “*Juntos por el empleo de los más vulnerables*” is not the only partnership in the work integration field in Spain, it is the only CSP that meets the criteria described in the preceding definition section. The occurrence of one paired with the large number of organizations involved makes it hard to say whether the SI stream is limited or widespread in the Spanish context.

*“Juntos for el empleo de los mas vulnerables”:  
Milestones and Key Actors*

The main goal of the “*Juntos por el empleo de los más vulnerables*” initiative is to improve the employability of the most vulnerable actors of society by fostering collaboration between the business sector, the public sector and third sector organizations. Currently it gathers in this collective effort over 1,083 organizations from the three sectors: 1,000 third sector organizations, 70 businesses (either directly or through their corporate foundations) and 13 public administrations. The partnership allows for the combination of resources and capabilities from the different organizations involved, creating a model of work integration combining training, learning, self-employment, evaluation of results, and funding.

“*Juntos por el empleo de los más vulnerables*” (Figure 9.3) was launched in 2012, as a collective initiative led by Accenture through its corporate foundation, with the support of the Seres and Compromiso y Transparencia Foundations, both non-profit private foundations focusing on the engagement of companies with social issues. This partnership does not exist as an independent legal entity. It is hosted at Accenture headquarters and it is

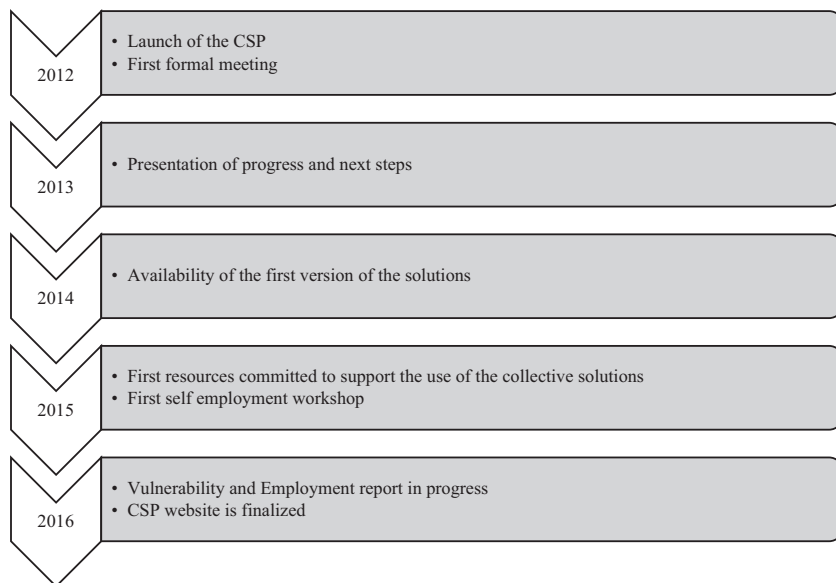


Figure 9.3 Milestones for the “*Juntos por el empleo de los más vulnerables*” CSP

governed by a rotating coordinating committee, where the private and third sector actors are represented and, to a lesser extent, the public sector as well (at the local and national level).

The partnership relies on the contributions from partners. Most contributions come in the form of human contributions (know-how, expertise, volunteers) and relational resources (networks). The largest contributor in the CSP is the Accenture Foundation, both through financial and volunteering contributions. Other partners occasionally contributed with in-kind or financial gifts.

The main activities of the partnership include knowledge generation, soft-skills training for vulnerable groups in employment and self-employment, labor market assessments in Spain, employability assessments of vulnerable groups, reporting, promoting sustainable microcredit for disadvantaged people not served by traditional banking, among others. Partners in the CSP formalized 21 “solutions” that support work integration, targeting both employment and self-employment (see Table 9.1).

These solutions are jointly developed by organizations from the three sectors involved in the partnership and are managed by the Accenture Foundation as CSP promoter and coordinator, using the support (advice, organizational requirements, and network capacities) of other partners from the public, private and third sector. The CSP benefits from the mobilization of seven employees as well as a wealth of volunteers from all three

Table 9.1 Solutions developed in the context of the “*Juntos for el empleo de los mas vulnerables*” CSP

<i>Solution name</i>	<i>Target</i>	<i>Content</i>
Observatory	Employment	Assessment of current labor market and identification of new opportunities for vulnerable groups
Diagnosis	Employment	Assessment of employability of vulnerable people within the employment framework
Competences	Employment	Training material for the evaluation and development of transversal skills in employment
Reporting	Employment	Structured management information in the employment context
Training guide	Employment	Best practices in training for employment
Practices guide	Employment	Definition of training practices in private sector
Diagnosis	Self-employment	Assessment of employability of vulnerable people and their business ideas within the self-employment framework
Competences	Self-employment	Training material for the evaluation and development of transversal skills in self-employment
Training	Self-employment	Training materials about technical knowledge in the self-employment context
Reporting	Self-employment	Structured management information in the self-employment context
Training guide	Self-employment	Training methodology for entrepreneurs
Microcredits	Self-employment	Sustainable Microcredit Program aimed at profiles not served by traditional banking
Online	Self-employment	Relationship Model of the YBS (Youth Business Spain) network

sectors involved. By May 2016, this CSP was estimated to have contributed to the creation of 5,639 jobs, to have worked with 233,730 beneficiaries, to have trained 194,451 people and to have offered more than 18 million of hours of training. This was archived through the collective investment of 240,000 hours of work and 75,000 euros.

### *SI Stream in the Czech Republic*

Work integration activities focused on disadvantaged citizens take various forms in the Czech Republic. Most work integration initiatives take the form of WISEs. They cooperate with the private sector and with governments in a rather limited way. WISEs have standard commercial contracts



with private firms, and they receive public funding and subsidies, but these relationships are not sufficiently interdependent to qualify as CSPs.

For many years, in the Czech Republic, the topic of social innovation has been pushed forward by the EU. The influence of the EU has led to the increased interest in social innovations and the development operational programs such as “Social Innovation (ESF)”. These programs have helped to support many socially innovative projects and a wide range of WISEs. Many projects probably would not be viable without public support from EU Operational Programs. There is thus a concern about their future sustainability should access to those financial sources diminish. High dependency of notable (and internationally recognized and awarded) SI projects is a reality of the Czech Republic and their long-term sustainability without public support remains questionable.

While a variety of partnerships were identified involving a combination of work integration, private and public actors (such as, for instance, HUB Praha, Agency for Social Inclusion, Pacts of Employment and Local Action Groups), they were not specifically focusing on work integration of disadvantaged groups and thus did not qualify as work integration CSPs either. One project, called “Change is Possible”, conducted by a private commercial company in partnership with the public sector, was identified as the most promising example of a work integration CSP. Such deep collaborations are still rare in the Czech context. The project has been widely recognized and awarded, but at the same time, it is currently undergoing substantial changes and transformation.

#### *“Change is Possible”: Milestones and Key Actors*

The impulse for the launch of this CSP came from the needs of two institutional partners. Vinařice prison, a public entity, was looking for jobs that prisoners could perform while inside the prison. The other partner, A-GIGA, a private commercial company, was looking for a suitable space to develop a new call center with staff members who could work in it. One of first shoots of the initiative, which emerged inside of Vinařice prison, was the prisoners’ vocal desire for employment opportunities. In 2008, in response to this expressed need, the prison therapist, Mr. Hruby began efforts to find jobs for prisoners. Yet these were not easy to find. At the same period, the company A-GIGA made the decision to open new call center. Because Mr. Hruby’s wife worked for A-GIGA, she initiated discussions about a possible collaboration between A-GIGA and the prison. The response from both A-GIGA’s and the prison’s top management turned out to be positive. In 2009, Mr. Hruby was entrusted with the coordination of the project (Figure 9.4). He immediately started negotiations within the Prison Service and the Ministry of Justice. The call center in the Vinařice prison opened in 2010, under the banner of the “Change is Possible” project. One year later the project was accredited by the Ministry of Education.

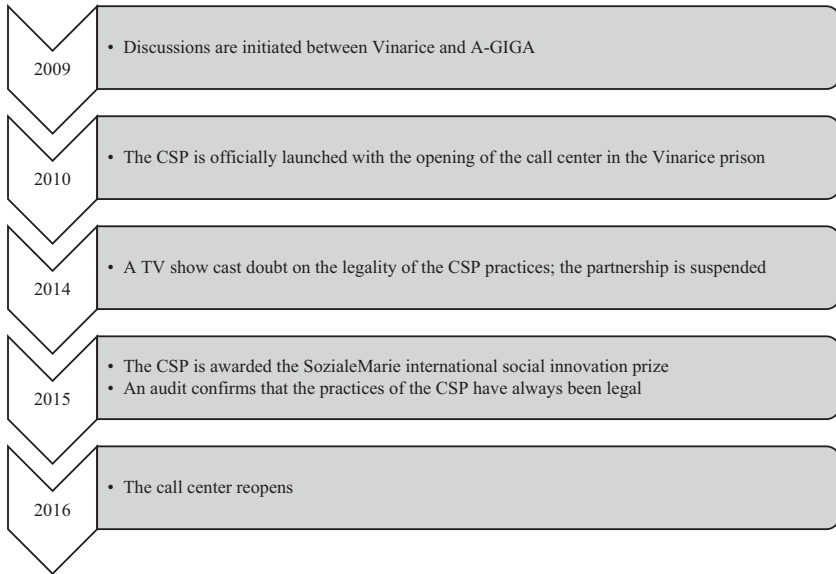


Figure 9.4 Milestones for the “Change is Possible” CSP

An important and devastating milestone came about in the year 2014. TV NOVA, the most popular commercial Czech TV, broadcasted a false report about the “Change is Possible” project. This television report misrepresented the reality and clearly had a negative slant. This report strongly affected the public opinion about the project and finally led to the temporary suspension of the project. In May 2015, the project was awarded an international prize for socially innovative projects—SozialeMarie. Finally, after investigation of the audit office, it became clear that the call center in Vinařice prison had never broken the law. The “Change is Possible” call center thus reopened in August 2016. Importantly, since 2015, in addition to its role of employer in the prison, A-GIGA also committed to employ only released prisoners (ex-offenders) in the nearby call centers located outside the prison.

The public sector (the prison system under the authority of Ministry of Justice, Ministry of Labour and Social Affairs, Ministry of Education and Sports) played the role of institutional enabler of the initiative. In terms of the respective contributions of the partners, Vinařice provided the space, while A-GIGA provided the initial investment (€14,570) required to fit the call center, as well as the operational costs (wages, training, etc.) (€5,000 monthly). Additional funding was provided by the European Social Fund (€65,000). Both partners contributed human resources to the project, in the form of project managers on A-GIGA side and coordinators and workers on Vinařice side. Whereas both partners suffered from a relatively negative

reputation (as a prison and a call center company), this project provided them with rather positive publicity. These roles have not changed substantially over the course of the project and are not projected to change in the near future.

During the period 2010–2012, 164 prisoners were selected and trained to work in the call center, and received a salary. From 2013 to 2014, 247 were selected for retraining, and from them, 157 prisoners finished retraining, worked in prison, and were paid salaries which they could use for their expenses or to pay off their debts. Of these, 51 have been released so far, most of whom have started working on various positions, some in call centers of other companies. So far, 11 of the released prisoners have signed a contract with A-GIGA in a call center outside of the prison, as standard employees (A-GIGA employs both ex-offenders and other workers in the same teams). However, two of these 11 were later laid off because of addiction issues.

## Synthesis

Our objective was to use work integration as a window to shed light on the nature and form of cross-sector partnerships as a social innovation stream in Europe. Our study design was deliberately narrow along three dimensions:

- It focused on work-integration CSPs rather than CSPs more generally.
- It defined a narrow focus group within work integration: that is to say, a focus on disadvantaged people taking part in transitional initiatives (as distinct from initiatives that set up a long-term supportive work environment distinct from the normal labor market).
- Rather than drawing upon the wide and diverse definitions of cross-sector partnerships available in the literature, we set out five tightly defined, testable criteria that circumscribe CSPs for our purposes.

## *Comparative Analysis*

In spite of this, as we compared work integration CSPs in France, Germany, Spain and the Czech Republic, we uncovered considerable variation in the pattern of cross-sector partnerships in our sample. In France, CSPs for work integration go back to the 1990s and tend to involve a configuration of a single WISE having partnerships with one or more private companies. In Spain, WISEs founded back in the 1980s have broadly speaking failed to enter into partnerships with private companies, but more recently, an ambitious initiative catalyzed by the Accenture foundation has federated more than 1,000 NGOs with 70 private companies and three government entities to provide common pathways to work integration. In Germany, the state has traditionally assumed a dominant role in work integration, meaning that deep partnerships involving more than one sector have not been easy

to constitute. For the last 20 years, however, a lessening of regulation on low-qualified candidates and changing economic incentives have propelled private companies to get involved in work integration initiatives—and a more recent recognition of the role of the third sector in assisting vulnerable groups—has meant that cross-sector partnerships are ever more viable. In the Czech Republic, social innovation as a concept is becoming engrained through the influence of the European Union, but partnerships for work integration are in their infancy.

If a pattern can be discerned from this diverse data, it is that endogenous and exogenous factors come together to breed distinct patterns of partnership in work integration. In Spain, exogenous factors dominated: the economic crisis seemed to create a sense of urgency for the partners in “*Juntos por el empleo de los más vulnerables*”, who, pre-2008, had already entered into dialogue but had not yet taken the first step toward action. In Germany, the impact of the refugee crisis coupled with the historical and evolving role of the state give context to the development of *Arrivo* and *Rock Your Life!* In France, government’s earlier recognition of the role of private companies in work integration, through the creation and development of social clauses, seems to have acted as a catalyst for the creation of some CSPs. More recently, the roundtable on work integration organized in 2008 by the French government focused attention on the value of CSPs in this field, and launched the creation of tools such as a model partnership contract, intended to assist the emergence of new collaborations. Finally, the data from France and the Czech Republic underline the importance of personal relationships in creating conditions necessary to construct a cross-sector bridge.

### *Learnings*

Interestingly, it appeared that work integration was the field of the ITSSOIN project where it was hardest to define conditions that could explain variance in the way that social innovation unfolded in different countries. This might be due to methodological issues. Yet, what emerges from case studies is that other factors might actually drive local differences. Cultural aspects, religious considerations, long-lasting relations as well as personal relations between individuals based in different organizations might also explain why different forms of cross-sector partnerships were created in different contexts. Although we made attempts to capture those factors, some seemed too “soft” to spot and dig into them within the comparative and standardized framework of the research. The case studies also pointed to the importance of “hubs”—either individuals or organizations—that would connect partners within those partnerships.

Focusing on the role of government underlines the complexity of the picture. The ITSSOIN project hypothesized potential explanations for the diversity of national situations due to the “varieties of capitalism” (see

Anheier et al., 2014)—that is, the specific institutional structure of each country (for instance whether a country is seen more as a liberal market economy, such as Spain, or a coordinated economy, such as France and Germany). Yet our research suggests that despite the similarities of France and Germany as coordinated economies, the influence of governments in these countries has been quite different: in Germany, the state has created a place for CSPs by reducing regulation, whereas in France, the state has stimulated partnerships by incentives and creating space for contact between WISEs, NGOs and private companies.

Eventually, what emerged from the insights gained from the case studies, the discussions in the workshops organized during the project and the ongoing dialogue between the teams, are more complex explanations to understand diversity, eventually pointing at multi-level explanations that would include historical, institutional, cultural and interpersonal aspects. Something that current research on the variety of capitalism model, which tends to adopt a more macro and institutional approach, do not necessarily embrace.

In order to serve the needs of disadvantaged people who have spent a long time out of the labor market, cross-sector partnerships provide a striking opportunity to pool the strengths of companies, NGOs, social enterprises and government in order to lift them out of unemployment. Many of the WISEs interviewed for this project particularly emphasized the necessity of private-sector involvement for the relevance of their work. Cross-sectoral partnerships do not develop uniquely out of recognition of their potential impact. They are nurtured by the development of personal relationships, mediated by the influence of exogenous factors such as the European economic crisis and refugee crisis, and stimulated by the stance and policy of national governments.

## **Conclusions**

Our research does not give rise to directive recommendations for practitioners and policy-makers. Whilst it seems likely that creating the conditions conducive to the development of cross-sector relationships would stimulate partnerships in any country—such as by creating forums for cross-sector exchanges (as in the French “Grenelle de l’Insertion”)—the diverse role of the state across the four countries studied suggests that what works in one country might not work elsewhere. For example, the state’s disengagement was a factor in leaving space for the development of CSPs in Spain, whilst its engagement through incentives and creating encounters was a factor in France, and also partly in Germany.

Whilst the lack of conclusions may seem disappointing in the short run, it leaves the field open to scholars. The present study provides an unparalleled overview of innovative initiatives to favor integration through work in four European countries. It also provides a unique basis from which to draw to

conduct further research which is arguably necessary to identify all the drivers of such highly contrasted situations in these four countries, each one a member of the European Union. One aspect might be that innovation in the domain of work integration might be more local and national than international. As such this diversity might be related to different national settings but also histories and cultures as well as the existence of well-established actors in the field. Eventually, this points to the need for further studies that would develop in depth multi-levels of analysis considering both distance reasons for the development of initiatives (e.g., historical, cultural, institutional) and proximate ones such as personal relations. External shocks and crisis might have to be considered separately as the present study suggests that they rarely motivate cross-sector partnership but rather that such partnerships adapt to respond to them. The massive influx of migrant populations across European countries may, however, may change this dynamic. As the need to provide migrant workers with work integration opportunities will increase, the dynamics around CSP may well be impacted in the coming years.

## Note

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