

SEEDING

Case Study

Report

Executive summary



The SEEDING project
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Social Economy Enterprises
addressing Digitalisation,
Industrial Relations
and the European Pillar
of Social Rights

led by
DIESIS Network
with the financial support
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2021



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The Case Study Report compares the findings from 21 case studies of social economy enterprises dealing with challenges and opportunities of digitalisation.

The introductory chapters summarise information on the project and on the methodology.

The analysis of the case studies is a core task of Seeding, which follows the contextual analysis available in the Background Report and will lead to the final elaboration of Policy Guidelines.

The selection and analysis of cases followed a common methodology designed to identify examples capable of inspiring other enterprises, industrial relations and policy-makers.

In particular, the comparison was designed to elucidate possible measures to implement the principles enshrined in the

European Pillar of Social Rights, such as the promotion of secure and adaptable employment, fair working conditions, equal opportunities and social inclusion, in the light of the changing features of the labour market and of working conditions, especially faced with the current digital revolution.

The set of case studies covers seven EU countries and a wide array of sectors, with examples of company policies and measures addressing: (i) automation and digitisation of work; (ii) platform-based work; and (iii) a residual category of companies dealing with digital innovation not directly affecting employment.

The first category looked into developments taking place in agricultural and/or food processing activities (Agrargenossenschaft Trebbin, Piątnica District Dairy Cooperative), manufacturing (Speedpak), banking (Bank Spółdzielczy w Kruszwicy, Raiffeisenbank Main-Spessart), retail

trade (Panato), and other service activities (Ambulancias Barbate, Formula Servizi, Groupe Up, Hiša!, Knof, Naturcoop, Suara).

The sample offered a variety of approaches to digital innovation, mostly putting into practice the choice to follow market and technology developments which make it possible to automate production lines, to digitise production or processes to support work organisation, or to exploit e-commerce opportunities. Interestingly, the innovation was pushed in certain cases, especially in the health and education sectors, by specific criteria and conditions of service laid out in public tenders.

First of all, companies experiencing a significant automation of tasks accompanied innovation with an attempt to increase not only productivity but also sales, possibly leveraging the higher quality or the customisation of products enabled by innovation (for instance the automation of milk processing in

the Piątnica District Dairy Cooperative increased hygiene standards and milk quality by reducing human contact with milk) or by reaching out to customers via new e-commerce channels, possibly enabling them to customise products in a simple way (e.g. bags sold by Panato).

In some cases, the decision to use new machines, or simply to turn to digital marketing, triggered the need for new competences that the companies developed internally, by upskilling or retraining their employees.

Whether connected with digital inputs from production lines or not, software like Customer Relations Management or Enterprise Resource Planning has often been adopted to simplify and streamline work organisation and coordination. In turn, this has at times enabled increased flexibility in working times and in the place of work, aspects which present opportunities but also risks, in particular concerning

excessive monitoring of workers or the blurring boundaries between work and private life.

The cases highlight how there is no one-size-fits-all solution to accompany innovation with workers' welfare. Approaches attempted by the companies sampled include the provision of training to gain new skills, the implementation of programmes fostering mutual learning and cooperation among colleagues, and the structured collection of inputs and feedback by those affected by change (e.g. at Suara and at Raiffeisenbank Main-Spessart).

These valuable experiences suggest that a process of internal involvement and dialogue may help to overcome initial resistance by the staff to digital change, while, at the same time, taking into consideration their reasonable concerns. Interestingly, whilst many cases highlight how digitalisation poses initial barriers

to access for insiders, sometimes leading companies to call in external consultants, the sample also provides cases of digital tools that simplify the execution of tasks so as to better include disadvantaged workers. Such is the case of Naturcoop, which created an app to easily show gardeners the task to be carried out and the location of the green area concerned.

The second category compared three platform companies of IT professionals and consultants (4freelance, Happy Dev, ouishare), a platform of artists, musicians and related occupations (Doc Servizi), and a platform for taxi rides implemented jointly by cooperatives of taxi drivers (appTaxi).

The key distinguishing feature of the sample companies when compared to for-profit platforms lies certainly in the weaker role played by algorithms and the automation of managerial decision vis-à-vis human interaction.

Executive summary

In the case of the taxi platform, the app actually links passengers directly with radio taxi cooperatives, which then assign the ride request to the closest taxi drivers on shift, in line with applicable legislation and rules on self-employed taxi drivers (detailing their duties to customers, the formula for computing the price, and other conditions of work, including shifts and leave). Additional tools, like the possibility to easily file a complaint, or the automatic computation by the app of a predicted 'price' for the ride, represent services for customers which are alternatives to rating and to a predefined price for the ride. This clearly shows that it is possible to tailor technology to the law rather than the opposite, if the will is there.

As to other platforms, rather than opting for semi-automated mechanisms to assign tasks, the cooperative platforms sampled leave much room to human interaction, both online (e.g. by promoting the sharing of job opportunities among members via

decision-making software) and even offline (by promoting events and gatherings to strengthen the community of workers). Some platforms also established schemes to mitigate some of the risks facing freelancers (e.g. guaranteeing them a share of their pay in cases where the client fails to pay).

Yet, in a context where self-employed or atypical workers remain largely devoid of labour and social protection, the approaches identified show many limits. Despite the efforts to 'humanise' and decentralise decision-making, the overall success of the systems largely depend on the one hand on the goodwill of managers, who still exercise a large if not complete influence over who gets work and who does not, and, on the other hand, on competition from well-funded and larger for-profit platforms.

Finally, the residual category brought together cases of social economy

SEEDING project

enterprises providing more general services promoting digital innovation, such as a car sharing service (Som Mobilitat), a platform designed to connect enterprises and enable barter among them (France Barter), and the cooperative Cultivate, which delivers digital services to local inhabitants and enterprises which range from access to 3D printing or laser-cutting to help in using digital platforms and teaching new manufacturing technologies.

While diverse in their scope and goals, all these activities show possible pathways to delivering digital innovation in a community while fostering social cohesion.

The conclusions draw on the cases to illustrate some key themes for reflection which will be further explored in the project's Policy Guidelines.

First of all, labour-saving technologies can and should be introduced along with a wider strategy of using efficiency gains to

Executive summary

SEEDING project

expand sales, possibly also by upskilling the workforce. Experiences in the area of education and health services show how public procurement can significantly affect the way innovation is introduced.

Secondly, the introduction of digital tools affecting internal work organisation should be considered in the light of its potential, especially in terms of improving work-life balance by fostering remote working, as well as in the light of its risks (e.g. in terms of workers' monitoring and being 'always connected').

Finally, platform cooperatives suggest concrete tools and strategies to build 'digital democracies' in platforms and other businesses alike, actually mixing tools to support discussion and decision-making with physical gatherings and team-building events. At the same time, these experiences feature limits shared with other platforms, and particularly linked with a business model that relies

extensively on self-employed or non-standard workers exposed to risks of unfair conditions in the absence of adequate legal protection.



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Case Study Report of the SEEDING – Social Economy Enterprises addressing Digitalisation, Industrial relations and the European Pillar of Social Rights – project, led by DIESIS Network with the financial support of the European Commission (Grant Agreement VS/2019/0073)

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