THE SOCIAL ADDED VALUE OF THIRD SECTOR ORGANIZATIONS

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INTRODUCTION

The systems of measuring third sector organisations performance (from now on called TSOs) vary widely in time depending on a series of endogenous and exogenous variables in relation to the economic (A), political (G), social (I) and cultural (L) contexts in which they operate. Among the latter (exogenous variables) there are:

a) the normative regulation system of TSOs.
b) the complex of state political administrative institutions and all its local representations.
c) management styles and practices of public administration agencies.
d) the societal configuration of the market and credit system.
e) the availability of solidarity resources present in a given society/territorial community.
f) the preferences and ways (consumers styles) in which beneficiaries and users consume services.
g) cultural, value-related and symbolic elements.

Regarding the endogenous variables there are several relational dimensions that affect the definition/determination of performance measurement (fulfilment of the mission). Regarding activities, programs, and projects, there are elements which "have value", which "add value", which are evaluated positively (and therefore valued) and there are those where a negative judgment (of value, assessment) is made and they should therefore be abandoned, interrupted, or reconfigured.

Following we indicate three main dimensions:

a) the dimension of governance, that is the internal configuration of forms and procedures through which political-strategic decisions are taken;
b) the dynamic of management i.e. the level of decision-making in relation to the allocation choices.
c) the relationships that are established among the members of the organisation and the beneficiaries of the services that it delivers.

Given these conditions it is not surprising that the measurement of (social) value of TSOs has changed and continues to change significantly over time and space.

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1 This paper is the result of a research program that is lasting more than three years (Colozzi Bassi, 2008; Bassi 2009a, Bassi 2009b, Bassi 2010a, Bassi 2010b). It is an original elaboration of the results of an empirical research called: Il Valore sociale aggiunto (VAS) del Terzo settore: come misurare la produzione di beni relazionali of the Research Unit of Bologna University, in the framework of a National research project (PRIN 2007) named: Reti societarie, capitale sociale e valorizzazione dei beni pubblici – national coordinator Prof. Pierpaolo Donati – that involved also research teams from University of Verona and from Università Cattolica in Milan.
1. WHAT, HOW, FOR WHOM THE THIRD SECTOR PRODUCES

This paper discusses the object (the *what*) and the operational modes (the *how*) of production within that diverse world of variously-named organisations which can be classified under the heading of Third Sector or Nonprofit Sector.

Without a doubt, in order to correctly deal with this subject matter it is necessary to distinguish the standard procedures of the different organisational typologies (populations) that populate the Italian Third Sector (its components): the organisations of volunteers; social associations; social (solidarity) cooperatives; foundations; and the vast group of non-profit organisations that historically, socially, and legally do not fall under the four categories mentioned above (moral institutions, religious institutions, etc).

However in our opinion, even in their differences, common characteristics exist which represent the specific contribution of the third sector to contemporary societies. Table n. 1 on the following page concisely describes the characteristics of each dimension of social action: micro, meso, and macro.

Table 1 – Products of third sector organisations in the different dimensions of social action

<table>
<thead>
<tr>
<th>Social Dimension</th>
<th>Subjects of action</th>
<th>Intermediary Products</th>
<th>Social Added Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>MICRO</td>
<td>PERSONS</td>
<td>- Belonging</td>
<td>RESPONSIBILITY</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Participation</td>
<td></td>
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<td></td>
<td></td>
<td>- Solidarity</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Self-governance</td>
<td></td>
</tr>
<tr>
<td>MESO</td>
<td>ORGANISATIONS</td>
<td>- Associational Form</td>
<td>RELATIONAL GOODS</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Reciprocity</td>
<td></td>
</tr>
<tr>
<td>MACRO</td>
<td>Social Systems, COMMUNITY</td>
<td>- Trust</td>
<td>SOCIAL CAPITAL</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Public Space</td>
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</tr>
</tbody>
</table>

The *micro dimension* is that of inter-personal, face-to-face relations, it is the realm of everyday exchanges, familiar, friendly, neighbourly, mutual and self-help interactions. It is at this level that small-scale associations operate: basic and parish voluntary work, hobby, cultural, educational and recreational neighbourhood (grass root) organisations.

The societal function of third sector actors in this basic dimension, fundamental to the social life (relationships), is to give people:

a) a place in which to experience and fulfil a real, non-virtual *sense of belonging* (non-alienating social relationships);

b) a place in which to try different forms of *active participation* (associative democracy);
c) an environment in which to realise forms of self-management, self-organisation and auto-production of goods and services;

d) a relational space for experiencing concrete acts of solidarity towards others.

Through this everyday experience of having things in common, of sharing with others, of discussion and debate (at times even conflict - no one loves a good argument more than volunteers!), people who live through associative experience develop a sense of responsibility, firstly towards themselves and then gradually towards those nearby, towards the greater public, etc., expanding their civic sense of responsibility in ever-widening circles.

To conclude this point, on the micro level the third sector contributes to developing a civil society, even in the heart of our post-modern society, made of and by responsible citizens.

The meso dimension is that of inter-organizational relations, networks of associations, it is the environment where the exchange among organisations and community entities takes place. Associations of medium or small-to-medium dimensions operate at this level: volunteers groups structured at the regional or national level, social associations, foundations, groups of social cooperatives (consortia, etc.). The territorial environment referred to is constituted of an area such as: the metropolitan quarters to the municipality, the province, the health and social services districts, etc.

The societal function of the Third Sector subjects in this intermediate dimension of relational life is to supply a model of exchange of goods and services to the social fabric which is based on reciprocity and not based merely on the "value of economic exchange" of the services; as well as the concrete manifestation that the associative form constitutes an effective and efficient means of resolving problems of a collective nature.

Figure 1 – Typology of four kinds of relationships in the Third Sector
The macro dimension is that of inter-systemic relations, of international networks. It is the environment of exchange between second or third level organisations, among collective trans-sector players. This is where large or very large-scale associations operate: the networks of organisations of volunteers structured at an inter-regional or international level, the umbrella groups of social associations (negotiation committees, etc.), the networks of foundations and charities, and systems of international cooperation. The territorial environment of referral is made up of a vast area which can correspond to the territory of a nation-state, but could also correspond to an inter-European environment, or even to intercontinental networks.

The societal function of the third sector in this elevated dimension of relational life is to transmit the medium of trust in order to link subjects, and to provide a public space for discussion and for the consensual building of agreements, within the process of globalisation. Globalisation on the other hand tends to create enclaves, to build barriers between nations, between national systems, and also within industrialised nations. At this level, networks of associations contribute to making a sphere of sense (relational field) directed towards "weaving together" and repairing, building bridges where the crashing wave of the global market fragments and separates.

In summary, the specific contribution of the third sector (non-profit sector) is to produce: a sense of responsibility towards the public (for people/citizens); a number of relational goods\(^2\) (or collective goods, or meritorious goods) (for organisations and the local territorial systems); and, in the end, a solid amount of social capital\(^3\) (for the complex social systems or the vast community). Then it follows that the principal differences between the nonprofit sector, the profit sector, and the public sector, from the point of view of production, are not so much in what is produced but rather mainly in how to produce, and above all with and for whom they produce.

2. VALUE’S CREATION CHAIN MODEL

The most complete description of the "Value Chain" model applied to social utility organisations was developed by a research group at the University of Harvard (Wei-Skillern, Austin, Leonard, Stevenson, 2007). The stated objective was to identify a framework of analysis which reveals the distinctive value or the basic goal which the organisation intends to reach, and the results of their

\(^2\) The definition of relational good is of the Italian sociologist Pierpaolo Donati, and it has been developed in a scientific research program of more than thirty years. It refers to a good or service that holds the following characteristics: a) it is a good where the production, distribution and consuming require the involvement of both the producer and the user; b) it is a good that can be enjoyed only by and through the social relation; c) the quality of the good is embedded in the social relation. The relational good differs both from the public and the private goods. See: Donati P. (a cura di) 1996, pp. 37-39.

\(^3\) On the concept of social capital there is nowadays a wide bibliography. For a review of the principal approaches and an original version of the concept see Donati P. 2007; Donati P. e Tronca L. 2008; Colozzi I. 2005. These are some of the main definitions around which the scientific debate did develop. Pierre Bourdieu (1980, 1986): "[Social capital is] the sum of resources, actual or virtual, that accrue to an individual or a group by virtue of possessing a durable network of more or less institutionalized relationships of mutual acquaintance and recognition."

James Coleman (1988, 1990): "Social capital is defined by its function. It is not a single entity, but a variety of different entities having two characteristics in common: They all consist of some aspect of social structure, and they facilitate certain actions of individuals who are within the structure. Like other forms of capital, social capital is productive, making possible the achievement of certain ends that would not be attainable in its absence."

Robert Putnam (1993, 1995, 1996): "Social capital ... refers to features of social organization, such as trust, norms, and networks, that can improve the efficiency of society by facilitating coordinated actions."
activities (what they really produce). The logical framework below the model of the "Value Chain" (Ivi, p. 324-332) lists three principal elements which emerge from the activities of a TSO: outputs, outcomes and impacts. The model follows a process of analysis constituting five stages:

Inputs → Activities → Outputs → Outcomes → Impacts
Resources → Process → Products → Results → Impacts

The model can be applied in both directions (forwards and backwards): from left to right, in order to monitor the execution of activities and verify the level of efficiency of the organisational processes; from right to left in order to plan new programs or activities and to measure how much these are reliable, efficient and congruent with the desired effects (impacts).

This logical plan allows for the identification of cause and effect connections along the "value creation chain".

A similar model of analysis is illustrated in an excellent article by the scholar Rey Garcia (2008) regarding the valuation of organisational performance and the social impact of TSOs, defined as methodology of the Social Return on Investment (SRI). A similar approach can also be found in other methodologies of organisational analysis such as the Balanced Score Card (BSC) and Benchmarking.
3. THE FIVE STAGES OF THE CHAIN OF PRODUCTION OF VALUE IN TSOS

We will next present a typological illustration of the five elements of the value’s production chain, first adopting a diagnostic approach (monitoring organisational processes) and following that, the perspective of prevision analysis (planning of new activities/services).

3.1 The diagnostic approach

From a process analysis point of view one must ask whether the state of things as they are is coherent with the guiding principles of the organisation (mission) and whether the level (quantity and quality) of services offered is satisfactory in respect to the organisational objectives.

1) Taking into consideration the inputs level, there are two types of resources: the economic-financial resources and the human resources. As far as the economic-financial resources are concerned it is necessary to verify whether the current structure of revenue is satisfactory both in terms of coherence with the values of the organisation (for example the presence of sponsors from companies which are not ethically responsible) as well as the pertinence/ adequacy of the
objectives being pursued (for example excessive dependence on one purchaser can induce organisational isomorphism resulting in unanticipated and undesirable end results).

If we analyse human resources, that is, the structure of the organisation's employees, then in this case it is necessary to verify and evaluate whether the current configuration is coherent with its own identity (for example the presence or absence of volunteers) and with the declared aims (for example employees’ competence and to activate training policies).

2] Regarding the processes (activities), the perspective would be to assess whether at every stage of decision-making (political-strategic level, administrative level and operative level) the maximum possible level of participation of stakeholders is guaranteed or not. This means analysing the ways (how) decisions are taken by governance bodies (President, Board of Directors, Management Board, according to legal forms and organisational typology) and whether inclusive participatory practices are encouraged or blocked. The same analysis must also be applied to the managerial level (management: director, those responsible for structure/service; area co-ordinators, etc.) and at the operative level (working team).

3] As far as products (outputs) are concerned, i.e. the final outcome of the process of services provision (tangible in the case of goods, intangible in the case of a service, but nonetheless measurable, for example number of training hours involved per number of recipients/participants in the case of a social association working in the life-long learning sector), it is necessary to verify the level of interaction between those providing a service (workers, volunteers) and those benefiting from the service (users, clients). This means measuring the level of involvement of those who receive the service in determining its quality.

In the relationship between resources - processes - products, a first measure of organisational performance is seen, specifically: efficiency. This in fact tends to reveal the adequacy of a unit of measurement considered as variable, in relation to another which is considered as constant. For example if we take as a given the current level of economic resources of the organisation, we can evaluate whether the processes being used for reaching fixed objectives and finished products are carried out correctly, that is, to the maximum effort possible, or whether there is waste and ill-management of resources. In this case the waste is financial, but the same reasoning is applicable in the case of human resources, which can be under- or over-used, provoking respectively lack of engagement and burnout.

EFFECTIVENESS = relationship between PROCESSES  ➔  PRODUCTS  ➔  RESULTS

4] We now come to results (outcomes). If products tell us what a given service/ activity has brought about and are almost always measurable in quantitative terms, the results these products engender are, on the other hand, more difficult to reveal and measure. Using the example of life-long learning (third age) universities, saying that in a year a certain number of hours of lessons took place (for example 1,500 hours in 72 courses) for a certain number of people (for example 900 participants) [the product], does not tell us anything regarding the capacity of the association’s activities to combat the loneliness suffered by many elderly people in urban environments, or to reinforce their mnemonic skills in order to combat aging of cognitive abilities, and so on. And it is precisely these skills which constitute the "desired results" of life-long learning universities.
In the relation between process - products – results, a second, classic measurement of organisational performance is found - **efficacy**. Efficacy measures the *level of achievement* (total, partial, nothing) of the organisation's objectives. This is the capacity of an organisation to meet the *needs* for which it was created or to solve the problem (economic, social, environmental) for which it was established. For example we can assess whether the processes in action and the finished products are *appropriate* (sufficient) to allow reaching expected results.

**EFFECTIVENESS** = relationship between PROCESSES  ➔ PRODUCTS  ➔ RESULTS

The two measurements (efficiency and effectiveness) are independent of each other. It is therefore possible to have an employment of resources and an execution of processes which are absolutely efficient but which produce results of zero effectiveness. On the other hand there are extremely effective organisations which employ completely inefficient methods of managing economic and human resources. The latter will not be able to continue in the long term without great difficulty.

5] Finally, regarding the effects (*impacts*) which the actions of the organisation produce (induce) on the surrounding socio-economic environment, we find ourselves faced with circumstances in which fewer methods of gathering and measuring data are used than ever. This is in part due to the fact that the effects of action in the *social arena* are only seen after a medium-long interval (five to ten years), but above all because it is extremely difficult to isolate the effect of the action from other variables which can have an impact on change in the analysed phenomenon. Only in very limited cases is it possible to have "control groups" against which to measure *direct effects* which the organisation's actions have had on the target group.

Nonetheless it is possible to set up some systems for evaluation of the social impact of the activities of a TSO, even if this requires the construction of a permanent *system of monitoring* able to gather longitudinal data.
Table 2 – Some examples of attended results, indicators and tools – concerning a nonprofit organisation dealing with adults education (long life learning)

<table>
<thead>
<tr>
<th>Elements</th>
<th>Attended Results</th>
<th>Indicators</th>
<th>Tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRODUCTS</td>
<td>Goods and services produced and delivered</td>
<td>- Number of courses;</td>
<td>Regular surveys of statistic data concerning activities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Number of lessons hours;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Number of participants (by age, level of education, job condition, etc.);</td>
<td></td>
</tr>
<tr>
<td>RESULTS</td>
<td></td>
<td>- improvement of memory capacities of participants;</td>
<td>Follow-up, quantitative ad hoc researches; individual questionnaires;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- improvement of capacity of time and space orienteering;</td>
<td>focus-group</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- improvement of capacity of access to local public services;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- extension of network of friendships and social relationships;</td>
<td></td>
</tr>
<tr>
<td>IMPACTS</td>
<td>Structural changes of the social, economic, cultural</td>
<td>- decrease of unrelated hospitalizations;</td>
<td>Statistic Data on the local context; and specific target groups</td>
</tr>
<tr>
<td></td>
<td>and environmental context</td>
<td>- decrease of unrelated Emergency Room visits;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- decrease of unrelated visits to the general practitioner;</td>
<td></td>
</tr>
</tbody>
</table>

3.2 The Prevision Analysis

The prevision analysis moves from the opposite perspective: that is, part of the effects/impacts which are intended to be produced in society to go back again to expected results, to products to be supplied, to processes to put into action and finally, to resources to secure. This is extremely useful in all cases in which the organisation wants to foresee the feasibility of implementing a new service or activity, or the opening of a new structure (residential, semi-residential, outpatient, socio-rehabilitative, socio-educative, etc.).
Staying with the example of the social association which operates in the life-long learning sector, let's suppose that the Council of Directors wishes to expand their target groups of course participants, in particular among the immigrant population.

In this case the desired **effects** involve an increase in the level of inclusion of immigrants in the local social context and, indirectly, a raising of the level of social cohesion in the local community.

The second step will be to identify the **expected results**, in this case an improvement in Italian language skills among settled migrants, an improvement in their ability to navigate the offer of local social-health-educational-occupational services, an improvement in the social condition of women (wives, mothers, sisters, daughters) with special attention to overcoming isolation, an improvement in the native population's knowledge concerning migrant peoples, etc.

The third phase will consist of individuating **products/services** aimed at producing expected results, in accordance with desired effects. For example: what typology of educational activity (course, laboratory, seminary, study/work groups etc.)? What type of presentation (location, hours, etc.)?

The next step will consist of an explanation of the **activities** necessary to engender defined products. In this case it will be necessary to start with an in-depth analysis of the organisation's internal forces: who does what (which volunteers or paid workers are available for this extra activity)? With whom can one work (are there other associations or institutions in the area which operate in the same environment or which do similar work, is it possible to collaborate with them)?

Finally, the process of **prevision analysis** will finish with the identification of economic (but also organisational) **resources** necessary for carrying out activities. It is necessary to construct a specific budget for the extra action and make a prudent analysis of plausible revenues and expenditures. Who are our current financiers/donors who could be interested in supporting an activity of this type? And which would definitely not be interested? Are there other potential financial backers who would be interested in supporting this activity that have not been contacted until now?

It is clear that the "value chain" model is an analytical tool with great explanatory capacity and heuristic potential.
Table 3 – The five elements of the value’s creation chain model

<table>
<thead>
<tr>
<th>Element</th>
<th>Typology</th>
<th>Target-group</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESOURCES</td>
<td>a) material; b) economic-financial; c) human; d) technological knowledge</td>
<td>- donors, founders;</td>
<td>Transparency</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- volunteers, paid workers;</td>
<td>Equity</td>
</tr>
<tr>
<td>PROCESSES</td>
<td>Decisions/responsibilities:</td>
<td>Human Resources</td>
<td>Participation</td>
</tr>
<tr>
<td></td>
<td>a) political-strategic; b) managerial; c) operational</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRODUCTS</td>
<td>Production / service delivering Process</td>
<td>Beneficiaries; Users/Clients</td>
<td>Involvement</td>
</tr>
<tr>
<td>RESULTS</td>
<td>- changes in the physic and psychic state of users;</td>
<td>Users</td>
<td>Efficacy</td>
</tr>
<tr>
<td></td>
<td>- changes of the socio-economic status of users.</td>
<td>Beneficiaries</td>
<td></td>
</tr>
<tr>
<td>IMPACTS</td>
<td>Structural changes of the social, economic, cultural and environmental</td>
<td>Local Community; Society</td>
<td>Social Change</td>
</tr>
<tr>
<td></td>
<td>context.</td>
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</tbody>
</table>

There are obviously many quanti-qualitative increments in value (exactly value-added) which an organisation, and a third sector organisation in particular, can effectively produce for society in general.

In order to examine this subject more closely we will use T. Parsons' (AGIL) "four functional scheme" to indicate the components of the general system of action (see fig. 3). In principle it is possible to identify at least four principal declinations of added value that an organisation (in our case a TSO) can bring to society in general (macro level), to the local community (meso level), and to the people who work in it or who benefit from its services (micro level).
Figure 3 – Four types of added value produced by an organisation

(G) Political Added Value

(A) Economic Added Value

(I) Social Added Value

(L) Cultural Added Value
In first place we find the **EAV** (Economic Added Value), which is a contribution in terms of augmentation (or non-consumption) of the material, economic and financial wealth (investment, savings) which a TSO produces through their specific activity. For example, in *occupational* terms, it is important to note not merely the number of jobs "created" but rather the quality (*dignity*) of the occupational positions. Other important occupational factors include the compatibility of the rhythms of life and the rhythms of work, differences in salaries offered (with the highest not more than two or three times higher than the lowest), the training offered to qualified professionals, etc.

In second place we can identify the **PAV** (Political Added Value) which comes from the *capacity* of a TSO (or a network, committee or delegation) to *influence* the political agenda (in this case also at the macro, meso and micro levels) to bring debate, arguments, questions and problems into the political arena, which, without the TSO's contribution, the political system would not have dealt with. There is also the contribution in terms of the *achievement* of planned objectives, and of the TSO's capacity to respond to social problems.

In third place there is the **SAV** (Social Added Value), in other words the specific contribution of a TSO in terms of the production of *relational goods* (internal relational dimension) and creation of *social capital* (external relational dimension).

Finally, we have the **CAV** (Cultural Added Value) which is the specific contribution a TSO makes in *diffusion* of values (equity, tolerance, solidarity, mutuality) *coherent* with its own mission in the surrounding community.

At this point we may investigate the **TAV** (Total Added Value) of a third sector organisation for society (territorial community in which it operates) which is made up (resultant) of different added values which said TSO creates (or not) through its activities in various *relational spheres*: economic, political, societal, and cultural.

According to the following formula: Total Added Value (TAV) = EAV + PAV + SAV + CAV

Given that the specific object of the present work is to discuss the social added value (SAV), in the following pages we must limit our analysis exclusively to this component of the four possible added values which the TSOs can produce/create for society.

**4. THE SAVE SYSTEM OF EVALUATION (SOCIAL ADDED VALUE EVALUATION)**

The SAVE system of evaluation is based on four internal organisational dimensions: economic-financial management (A); political-strategic planning (Governance - G); activities and processes (I); and culture and values (L):
The relation A - G = follows the principle of fairness
The relation G - I = follows the principle of responsibility
The relation I - L = follows the principle of justice
The relation L - A = follows the principle of trust
The **first dimension** regards the way in which TSOs manage the process of creating resources (revenues) and the relationships which they establish with donors and financial backers. The important question is: do the TSOs operate in a transparent and correct way from the point of view of economic resource management? The SAVE system comprises different indicators of this dimension and employs a scale of 0 to ten points.

The **second dimension** analyses the internal chain of the decision-making process and evaluates the degree to which the members of the organisation participate in it. The fundamental question is, to what extent does the system of governance promote the participation of members? The SAVE system encompasses numerous indicators of this dimension which come together in a scale of 0 to 20 points.

The **third dimension** constitutes the heart of the SAVE system and takes into consideration the internal process of providing the goods or services produced. It illuminates the way in which the various TSO stakeholders are involved in the organisation's activities. The SAVE system includes numerous indicators of this dimension and uses a scale of 0 to 50 points.

The **fourth dimension** concerns the process of commitment to values or to the creation of values. It shows the impact that the TSOs’ activities have on the local community or society in general. It aims to measure the level of social capital and of social cohesion created by the organisation (networking, partnerships, etc.). The SAVE system has devised diverse indicators of this dimension which come together in a scale of 0 to 20 points.

**5. CONCLUSIVE CONSIDERATIONS**

This article fits in with a body of research of wider scope, which the present writer has been pursuing for a number of years. This analytical reflection is focused on identifying modes of evaluating TSOs activities which are able to recognise (measure) and evaluate (communicate) specificities (distinctiveness) and identifying characteristics (identity).

This paper has presented an organic, coherent and structured system for analysing the social added value of TSOs, which I have illustrated at length in other papers to which I refer (Bassi, 2011), and which was mentioned in the fourth paragraph.

The model of organisational analysis and of prevision analysis which have been fully illustrated in these pages, called the "value’s creation chain", is part of this course of research. It consists of a process of reading the organisational structure (or of prospective analysis in the planning for future activity) comprised of five stages/phases which develop around a corresponding number of organisational elements: resources (input), processes, (activity), products (output), results (outcome), and effects (impact) on the surrounding environment.

Such an instrument constitutes an intermediate phase in the elaboration of the analytical model of the Social Added Value Evaluation (SAVE) and can provide a useful tool for organisational diagnostics.

Obviously it must be applied keeping in mind the distinctive features of different types of TSOs. The table below presents a synthesis of the basic elements which differentiate the principal four organisational groups which make up the Italian third sector: volunteer organisations, social associations, social cooperatives and operating foundations.
There is an urgent necessity for those working in the third sector to develop an autonomous monitoring system of their own activities (performance) in terms of grade of production of relational goods; as well as the assessment of the effects produced in the surrounding socio-economic context, and in terms of the generation of social capital. This is especially important given the current phase of profound revision of the social, health and educational services system underway in many regions of our country following the adoption of the system of accreditation, which is slowly coming to replace the earlier model of awarding of services by competitive tender (offer-side).

The two-fold process of "re-internalisation" of services put to use by numerous local agencies following the establishment of the ASP (Public Agencies of Personal Social Services) and implementation of the accreditation model in many Italian regions, sets unprecedented challenges for those third sector organisations operating in the systems of local welfare, as main actor for more than two decades.

The underlying question is whether TSOs are equipped or not from an organisational and cultural (of the leadership) point of view, to move in this new environment characterised by profound changes in the regulation system of public-private relations and in the financing plans for provided services.

In this changed system the TSOs will be required to apply profound processes of organisational adaptation (in models of governance, in processes of providing services, etc.) and operative innovation (building of partnerships and developing networks) which will require a significant capacity for self-analysis and for a perspicacious reading (planning) of future scenarios.
Table 3 – The value’s creation chain model applied to the four Italian typologies of Third Sector Organisations

<table>
<thead>
<tr>
<th>Elements</th>
<th>OdV</th>
<th>APS</th>
<th>Social Coops.</th>
<th>Foundations</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESOURCES</td>
<td>Giving</td>
<td>Members fees</td>
<td>Income from goods and services selling</td>
<td>Members Contributions</td>
</tr>
<tr>
<td></td>
<td>Volunteers</td>
<td>Volunteers (Board of Trustees)</td>
<td>Qualified social workers</td>
<td>Income from goods and services selling</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Paid Workers</td>
<td></td>
<td>Paid Staff</td>
</tr>
<tr>
<td>PROCESSES</td>
<td>Light Services</td>
<td>Services for the members</td>
<td>Education, health and social services</td>
<td>Cultural activities; Scientific activities; Social care activities; Education activities; environmental activities</td>
</tr>
<tr>
<td>PRODUCTS</td>
<td>Production of goods</td>
<td>Production of goods and services for the members (work hours)</td>
<td>Qualified professional services (work hours)</td>
<td>Goods and services to the local community</td>
</tr>
<tr>
<td>RESULTS</td>
<td>Satisfying needs of vulnerable target groups</td>
<td>Protection, empowerment, and enhancement of the members’ interests</td>
<td>Delivering of a service for the improvement of the users or clients’ quality of life</td>
<td>Delivering of a service for the improvement of the local community’ quality of life</td>
</tr>
<tr>
<td>IMPACTS</td>
<td>Exit (leaving) of the beneficiaries from social marginality</td>
<td>Improving of the economic, social and cultural conditions of the members</td>
<td>Increase of social cohesion of local community</td>
<td>Increase of social, economic and cultural capital of local community.</td>
</tr>
</tbody>
</table>
The tools and methodologies that we have been trying to devise for the past few years are going in precisely this direction, qualifying as a means of bringing the particularities of TSO identity to light - that which confers meaning and dignity upon TSOs as autonomous protagonists of civil society yet at the same time as social enterprises.

The auspice is that the management of associations representing TSOs wants to invest in this path (including critical analysis) and intends to promote a program of organisational consultancy and managerial training within their ranks, in order to augment the capacity for self-diagnosis and reading of the profound social changes taking place.
REFERENCES


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