

## Assessing the societal impact of a policy dedicated to the SSE



### Toulouse Métropole

Created on 1 January 2015, Toulouse Métropole brings together 37 municipalities and 760,000 residents. In 2017, its main budget was €1.5 bn.

The social and solidarity economy (SSE) represents 3100 employing organisations and 33,000 jobs, or 8% of jobs in the metropolitan area. Between 2007 and 2016, SSE job growth in the Toulouse metropolitan area was more than double the growth in the region of Occitania.

#### AMBITION

Build and maintain an assistance framework that meets the needs of entrepreneurs within its territory.

Period: 2018 to 2019.

How to assess the social utility of an activity with a social, societal or environmental purpose, and why? How to measure the contribution it makes, its impact? What are the benefits of such an approach for stakeholders? How to value the results?

There are many methods and assessment tools available, but they do not all serve the same aims. The choice rests on the challenges faced and resources available in particular. Each approach will need to be adapted.

In order to illustrate the plurality of such approaches and promote the results of assessments carried out, Avise – in partnership with Banque des Territoires, the French State Secretariat for the Social, Solidarity and Responsible Economy, the French National Agency for Territorial Cohesion (ANCT) and the European Social Fund Plus – is publishing several case studies of social impact assessment, which are being added to the National Resource Centre for Social Impact Assessment that it runs.

Resource centre and case studies available online at [www.avise.org](http://www.avise.org)

### Toulouse Métropole's approach

#### BACKGROUND

Toulouse Métropole has been assessing the impact of its actions in the area of economic activity and job creation since 2012. Aimed at valuing the effects of its SSE policy, an assessment of the policy's indirect impacts, integrating new societal impact indicators, was initiated in 2018. The metropolitan authority was assisted by Ellyx, an innovation firm specialised in assessment approaches, to carry out an impact assessment that would deliver results in June 2019.

#### SCOPE

The aim of the approach is to assess Toulouse Métropole's SSE policy by analysing the impacts of SSE enterprises participating in the schemes that it supports.

#### ACTORS INVOLVED

Toulouse Métropole's SSE division brought together several of the authority's departments and various partners from the SSE ecosystem in the assessment scoping phase. Supported by Ellyx, the authority also mobilised more than thirty SSE enterprises in the metropolitan area.

#### METHODS USED

The assessment is based on the theory of change and required the development of specific indicators for the Toulouse metropolitan area, in order to identify the societal impact of SSE enterprises, i.e. their contribution to the public interest within the territory.

#### MAIN LEARNINGS

The assessment made it possible to demonstrate and illustrate the added value of the SSE, by appraising the impacts of SSE enterprises in the metropolitan area, particularly from the following perspectives:

1. Dynamism of the economy and job market
2. Influence of the metropolitan area
3. Development of a local service offering
4. Democracy and citizenship
5. Social justice and fairer redistribution of wealth
6. Equality and social emancipation
7. Strengthening of social links between individuals
8. Environmental protection

## BACKGROUND

### TOULOUSE MÉTROPOLE'S SSE POLICY

Toulouse Métropole supports the growth of enterprises within its territory, in order to promote sustainable job creation, through initiatives that develop the metropolitan area's economy, innovation and influence.

In 2012, the first metropolitan action plan dedicated to the SSE was implemented in conjunction with local actors, to identify their needs and guide the authority's actions towards the building of an assistance chain for project owners.

#### Key SSE figures in the metropolitan area (2007-2016)

- 8% of jobs
- 11% of employing organisations
- +4500 net job creations
- 16.2% growth

Since then, the metropolitan authority has indirectly supported the emergence, creation, development and establishment of social utility enterprises.

This support is mainly materialised through the creation, facilitation and financing of innovative schemes that assist project owners, such as the Première Brique incubator and Parcours ADRESS, as well as the promotion of social utility initiatives.

The partnership-based relationships established by the authority with the metropolitan area's SSE ecosystem underpin its SSE support strategy, enabling the provision of assistance for social enterprises and support for their professional associations.

### OBJECTIVES OF THE APPROACH

Toulouse Métropole's desire to engage in an assessment approach is based on the premise that the SSE is a creator of added value for the local area. The purpose of this assessment is to:

- demonstrate the contribution of SSE actors to local economic growth;

- measure and report on the specific effects of SSE organisations, through the use of complementary socio-economic indicators;
- provide reliable, fact-based information about the added value of SSE actors.

#### Première Brique: Toulouse Métropole's social innovation incubator

Première Brique was created in 2015, with co-ownership by France Active and Toulouse Métropole. It runs two key programmes: a social innovation incubator and an "initiative factory".

Première Brique and the assistance chain dedicated to the SSE are part of the 20 projects that Toulouse Métropole's economic development plan is structured around.

Source: 'Métropoles, économie sociale et solidaire & innovation sociale' [Metropolitan Areas, Social and Solidarity Economy & Social Innovation], Avise, July 2019

### ASSESSMENT SCOPE

The purposes identified by the metropolitan authority guide it towards the choice of a specific approach to assessing its policy.

The approach, which aims to characterise the impact of SSE organisations participating in schemes financed by Toulouse Métropole, requires the assessment of the **indirect, rather than direct, effects of its policy and the authority's contribution to impacts observed in the metropolitan area.**"

*"The results of the assessment will have a dual purpose: internally, to demonstrate the contribution of the SSE to economic development in the metropolitan area; externally, to value the social, societal and environmental impacts of the SSE."*

**Alexandra Veland, Social Innovation & SSE Project Manager at Toulouse Métropole**

## STRATEGIC AIMS FOR THE METROPOLITAN AREA

By highlighting these impacts, this assessment is an opportunity to meet three main aims:

- to establish the SSE policy in the long term, and within the authority's Economic Development teams, by demonstrating its positive spinoffs;
- to determine the authority's contribution to the growth and consolidation of SSE enterprises, as well as the professionalisation of actors in the ecosystem;
- to illustrate the contribution of SSE enterprises to the metropolitan area's economic, social, ecological and societal development.

*"As with any assessment approach, we need to be clear about our aims and objectives. If we want the approach to succeed, we need to know why we are carrying it out."*

**Edouard Guerreiro, City Contract Project Manager at Toulouse Métropole during the approach**

## A PARTNERSHIP-BASED APPROACH

The authority involves several actors in this approach, reflecting the existing partnership-based dynamics in the metropolitan area.

- A steering committee, formed of the Director of Economic Action, the SSE Adviser and the Project Manager.
- The firm Ellyx, appointed by Toulouse Métropole as expert assessor.
- A project group formed of:
  - representatives of the metropolitan authority's Economic Development, Environment, Employment and Politics departments;
  - Banque des Territoires;
  - partners of the metropolitan authority (business and employment cooperatives, solidarity financers, a coworking space, SSE network leaders).

## INVOLVEMENT OF INDIRECT BENEFICIARIES

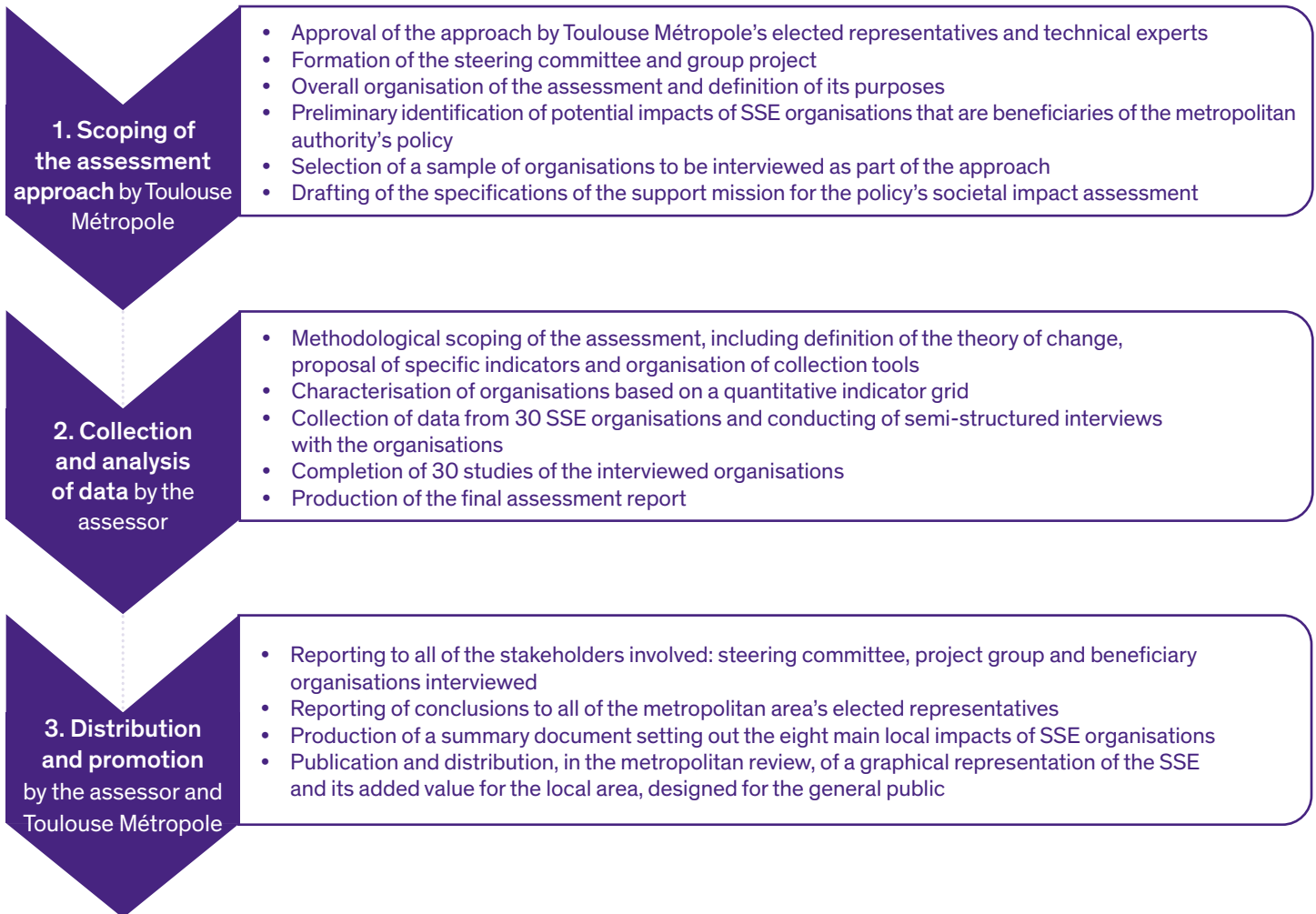
Because the approach is based on analysis of the impacts of indirect beneficiaries of the policy, it requires interviews of a sample of organisations to produce detailed studies. Thirty or so organisations were selected for interviewing according to various criteria: legal status, areas of establishment and action, sector of activity, size and stage of development. The project group played the role of intermediary to encourage involvement of organisations in the approach.

*"The aim wasn't to build a representative sample, but rather to represent all of the organisation types targeted by schemes in the assistance chain financed by Toulouse Métropole."*

**Jérémy Brémaud, Managing Partner of the firm Ellyx**

# ASSESSMENT APPROACH

## ORGANISATION OF THE APPROACH INTO THREE MAIN PHASES



## TOOLS PRODUCED AND USED DURING THE COLLECTION AND ANALYSIS PHASE

### Theory of change

The aim of the theory of change is to conceptualise the expected results and impacts of the metropolitan authority's actions in support of the SSE.

This tool places the assessment approach within an analytical framework. 21 effects are selected and shared by the steering committee and project group. The assessor groups them together under four impact dimensions: local development; governance and organisation; the environment; and social utility.

Figure 1: Theory of change of Toulouse Métropole's SSE support policy. Source: Ellyx

## Need

- The SSE contributes to the local area's economic and social development.
- The creation and development of social and solidarity enterprises is complex and undervalued.
- There is significant potential for the creation of SSE activities.

## Activities

An indirect support policy for SSE enterprises, organised along two main lines:

1. Assistance for initiatives;
2. Coordination of the dynamic with a wide variety of actors.

## Results

- 332 projects supported in 2017 (335 in 2014)
- 2077 jobs created or consolidated in 2017 (1624 in 2014)
- A structured assistance chain

## Vision

By coordinating the local dynamic and supporting organisation, as well as facilitating creation, development and long-term establishment, it is possible to increase the number and quality of local SSE projects.

## Achievements

- Budget of €358,000 in 2018
- Support for 12 schemes
- Mobilisation of a network of actors

## Impacts

- A stronger role for SSE enterprises in local development
- A facilitated pathway for creators and leaders
- An increase in the number and quality of SSE activities

## ASSESSMENT APPROACH

### Indicator grid and data collection planning

Based on the dimensions determined in the theory of change, the assessor defines a methodology for the collection and analysis of quantitative and qualitative data, aimed at assessing the chosen effects.

Data is collected in order to be fed into two types of indicators:

- Indicators that characterise the organisation: the aim of these conventional indicators is to describe the economic identity of interviewed organisations;
- Indicators that characterise effects: the aim of these indicators is to qualitatively describe the specificities of interviewed organisations, according to four defined impact dimensions.

A survey is carried out with 30 identified organisations, to gather data related to the various indicators. In addition, semi-structured interviews are conducted to look at certain effects in more depth and to represent quantitative elements.

Indicator types	Indicator subjects	Examples of indicators used
Indicators to characterise the organisation	Legal	Status
	Sectorial	Sector of activity and NAF (French Nomenclature of Activity) code
	Spatio-temporal	Year of creation
		Location of establishment
		Geographical areas of operation
	Financial, economic and employment data	Changes in workforce and full-time equivalents over a 5-year period
		Changes in turnover and global budget over a 5-year period
Mobilisation of schemes supported by Toulouse Métropole		
Indicators to characterise the effects	Local development	An example of cooperation Volume and proportion of purchases made in the metropolitan area
	Governance and internal organisation	Proportion of women in a managerial role Diversity of decision-makers
	Environment	Volume and proportion of responsible purchases
	Social utility	Proportion of societal utility actions in the global activity

Table 1: Indicator grid sent to the sample of interviewed organisations

### Studies

Following the collection phase, the assessor carried out studies of each of the interviewed organisations, in the format of summary sheets. These sheets were shared with the organisations and also contributed to analysis work for the production of the final assessment report. The summary sheets are organised into two main sections: the organisation's characteristics, and its effects and impacts.

Characteristics of the organisation	Effects and impacts of the organisation
General presentation of the organisation: date of creation, workforce, turnover, local influence	<b>Social utility:</b> Social purpose, objectives and targets Specificities of the business model
Economic and financial health: business model, development of turnover and jobs	<b>Local contribution:</b> Example of cooperations Added value for the metropolitan area
Assistance and financing schemes mobilised by the organisation	<b>Governance:</b> Stakeholders involved in governance Pay scale Sharing of surpluses Gender equality in governance bodies
Recognition and reputation of the organisation: awards and trophies won, media coverage	<b>Environment:</b> Proportion of responsible purchases Waste management Environmental added value

Table 2: Structuring of the organisation's characteristics and effects in the summary sheets

The assessor then uses two methodologies (quantitative analysis and discourse analysis) to develop observations and learnings from the assessment, which form the final report of the approach.

## A summary produced by Toulouse Métropole

Based on the deliverables produced by the assessor, Toulouse Métropole publishes a summary presenting eight key points to take away from the results of the assessment approach, illustrating the different dimensions of added value created by the SSE in the local area.

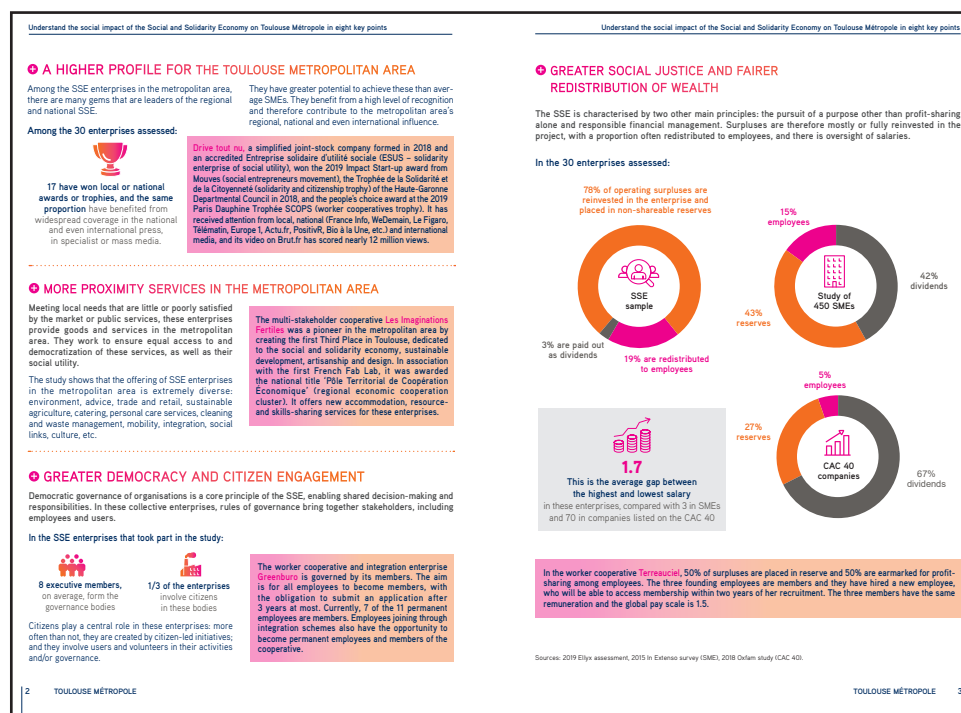


Figure 2: Extract of the summary 'Comprendre l'impact social de l'économie sociale et solidaire sur Toulouse Métropole' [Understand the Social Impact of the Social and Solidarity Economy on the Toulouse Metropolitan Area], published by Toulouse Métropole in 2019.

## ASSESSMENT AND TEACHINGS

### RESULTS OF THE ASSESSMENT

#### The SSE creates added value in the metropolitan area

Through comparative analysis of all the information collected, it was established that the SSE is a creator of added value for the Toulouse metropolitan area.

The assessment confirms the principles of the SSE in the local area, i.e. that SSE enterprises are:

- economic actors for the local area and a pillar of the job market;
- useful to the local area through their economic, societal and environmental dimensions, and raise the metropolitan authority's profile;
- creators of innovative solutions for poorly covered needs in the local area, particularly in disadvantaged segments.

The assessment carried out offers new observations about the effects of SSE enterprises:

- **they help to meet democratic aims in the local area**, by mobilising citizens in governance bodies through a diverse range of practices;
- **they integrate ecological aims** into their activities, and one third of them even put these aims at the core of their development model.

#### An SSE dynamic to be strengthened throughout the local area

The approach established subtle observations regarding the development of local SSE enterprises and identified means of action:

- while the contribution to the metropolitan area's development is real, it is mainly concentrated in the very centre, unlike conventional businesses, which are distributed throughout the territory;
- the dynamics of cooperation between SSE actors are mixed; However, several SSE organisations are developing partnerships with other types of actors: private businesses, local authorities, etc.

*"The results of this assessment enabled us to demonstrate that the SSE in the Toulouse metropolitan area is creating real added value in several dimensions: housing, social vulnerability, ecology and environmental protection. On average, 79% of the budget of assessed organisations is devoted to social utility activities and two thirds of these organisations have responsible purchasing practices."*

**Alexandra Veland, Social Innovation & SSE Project Manager at Toulouse Métropole**

### Benefits of the approach

Based on lessons drawn from the assessment approach, it was possible to:

- highlight and validate the SSE policy;
- engage in reflection on the choice of policy monitoring indicators that are relevant in relation to the metropolitan authority's spheres of responsibility;
- identify an absence of SSE activities in certain business sectors and parts of the metropolitan area.

### ONBOARDING AND ASSIMILATION OF SSE AIMS BY ELECTED REPRESENTATIVES AND TECHNICAL EXPERTS

#### Valid data and arguments based on examples

This assessment approach provided Toulouse Métropole's operational team with objective and tangible information about the added value and multidimensional effects of the authority's SSE policy. **The results obtained serve as arguments to demonstrate the relevance of this policy and oppose its portrayal as a "subsidised economy".**

Thanks to this approach, the metropolitan authority's technical experts have learned to value the SSE and demonstrate its economic utility and benefits, in addition to its social benefits.

It was also possible to highlight existing partnerships between profit-making private actors, SSE actors and



public actors during the presentation of the final report to the metropolitan area's elected representatives. The elected representatives, most of whom had little awareness of SSE aims, are now able to access a more accurate way to interpret the real effects of the SSE policy on local development.

*“One of the main objectives was to demonstrate to the metropolitan area's elected representatives that money invested in schemes such as Première Brique and Fabrique à Initiatives supports spheres of economic activity that or little or poorly covered by conventional businesses in the local area.”*

**François Gendron, member of Première Brique's steering committee and director at France Active MPA-Occitanie**

### Planning of a communication strategy to facilitate onboarding

When the approach was initiated, most of the actors were aware of the topic of assessment but few had had an opportunity to practice it. Expectations vary according to the types of actor: some needed quantitative and highly objective information to make strategic decisions; while others, with a more operational focus, needed to develop their understanding and skills in relation to this topic.

The scoping phase threw light on existing tensions between a desire to assess all aspects and the capacity to mobilise organisations. While they were inconclusive, the use of quantitative results enabled communication and the identification of key messages to highlight among local elected representatives.

The assessor suggests integrating the communication strategy right from the scoping of the approach, in order to ensure that assessment results and recommendations are used and taken on board by all of the targeted actors.

## AN APPROACH SERVING THE LOCAL SSE ECOSYSTEM

### Engagement of stakeholders throughout the approach

The joint involvement of partners and the metropolitan authority in building the assessment framework enabled all stakeholders to share their desire to develop an effective SSE policy.

The reporting of work accomplished to all of the stakeholders involved in the approach was appreciated and helps to strengthen the collective dynamic of the network of local SSE actors.

### A real opportunity for the enterprises interviewed

In the eyes of the enterprises involved, the assessment approach provided time for retrospection and contributed to their promotion.

In addition, the assessment secured the engagement of partners within these enterprises. The approach is therefore experienced as an opportunity to develop and consolidate their activities.

Furthermore, before the assessment, the metropolitan authority's contribution was unclear for many actors interviewed, particularly in terms of their development or the consolidation of their project.

The approach revealed the authority's contribution to supporting beneficiary enterprises, through its financing of assistance schemes. **The authority's indirect positioning in relation to the organisations interviewed has a positive effect: it reduces the risk of bias and servile attitudes.**

*“The summary sheet is an excellent tool that accurately reflects our activities. It's not often that we get a chance to access this kind of document, which gives visibility to our organisation's potential and benefits.”*

**Florent Motte, Director of Cycles-Re**

## SSE actors who are taking up the approach and the tools produced

Right from the specifications stage, Toulouse Métropole asks the assessor to transfer their assessment methodology to all of the project group's stakeholders, with the aim of **equipping local actors with a shared knowledge base of criteria, in order to give them the opportunity to internalise their assessment approach.**

Some enterprises, such as Première Brique, adopted the approach, either to use the results directly in their communication materials, or to introduce a complementary approach to assess their social impact, with a thought process based on work initiated by Toulouse Métropole.

*"This approach led by the metropolitan authority prompted the creation of a working group on social impact measurement within Initiatives pour une Économie Solidaire."*

**Guillaume Bureth, director at Initiatives pour une Économie Solidaire (IÉS)**

## AN ASSESSMENT METHOD THAT HAS ROOM FOR IMPROVEMENT BUT IS RELEVANT TO TOULOUSE MÉTROPOLE'S NEEDS

### A new approach to assessment

The approach of assessing the impact of its SSE policy through the impacts of the policy's beneficiaries is somewhat peculiar, and even novel. Rather than being based on beneficiaries' perceptions, it assesses their impacts in relation to the societal objectives pursued by the metropolitan authority's policy. **This approach looking at the indirect or consequential impact of the SSE policy had significant effects on the structuring of the assessment methodology.**

### Analysis of the beneficiaries' rather than the initiator's contributions

In terms of the method, rather than focussing on demonstrating the cause-effect relationship between the SSE policy and the SSE enterprises' impacts, the assessor focussed on **demonstrating the policy's contribution to these impacts through the knock-on effects of its financing.**

The method therefore involved assessing the SSE enterprises' effectiveness in meeting the societal aims set by the metropolitan authority.

### A method centred on qualitative assessment

Based on the theory of action of the SSE policy, the methodological approach adopted is primarily built around qualitative impact assessment, while aiming to produce objective results. The assessor's mission is to establish methodological principles and ensure their application, such as that of analysing statements made by interviewed enterprises as objectively as possible.

As the approach is based on statements, the assessor is responsible for linking the methodology with the collected material. Given the resources devoted to the approach, it was not possible to carry out any auditing or counterfactual processes to verify the veracity of information provided. For certain actors, the method's highly qualitative approach allowed all viewpoints to be taken into account, while others emphasized a lack of quantitative information.

**Qualitative approaches to data collection and results analysis require significant human resources. A high level of involvement among teams, as was the case with Toulouse Métropole and its partners, is therefore a factor in the successful completion of this type of approach.**

*"The arguments put forward in the final report are very useful and operational, but they require a basic level of knowledge and familiarity with SSE aims, which not all the elected representatives of a metropolitan area will necessarily possess."*

*"Since the assessment, within Première Brique, we have used the indicator grid as a decision-making tool when selecting SSE projects to join the scheme."*

**François Gendron, member of Première Brique's steering committee and director at France Active MPA-Occitanie**

## PROSPECTS FOR THE METHOD

### ASSESSMENT AS A TOOL TO PROMOTE AND STEER PUBLIC POLICIES

Through their integration in an assessment approach, SSE policies benefit from more effective steering and greater promotion.

This can take shape at various stages in public action, from design to implementation, through influence exerted on work methods, decision-making processes and action coordination. Toulouse Métropole's assessment approach was not aimed at producing strategic and operational recommendations regarding the metropolitan authority's SSE policy.

The authority had already identified its SSE policy improvement aims and was in the process of developing several projects. However, the assessment results served as drivers of action for certain assistance schemes, which, for example, have included modules dedicated to taking into account social diversity and gender equality.

**The assessment approach strengthened links between the metropolitan authority and its partners, as part of a continuous improvement dynamic.**

In conclusion, the approach adopted by Toulouse Métropole meets the need to promote the impacts of SSE enterprises throughout the metropolitan area, to the benefit of the societal interests advocated by the metropolitan authority.

**Analysis of the impacts of organisations that are indirectly supported by the metropolitan authority is a particular feature of this assessment approach, offering an alternative way to value its contribution.**

In addition to benefits for the authority, this approach has given several SSE organisations the benefit of having their impacts analysed and valued; furthermore, some of these organisations have in turn started to think about social impact assessment themselves. The assessment carried out by the metropolitan authority can serve to inspire other local authorities looking to value their SSE policies, while including other actors from the ecosystem in the process.

### FURTHER READING

France Active MPA-Occitanie, Première Brique and Toulouse Métropole, 'Rapport d'impacts 2015 – 2020' [Impact Reports 2015 – 2020], February 2021

Avisé and RTES, 'Évaluation des politiques d'ESS et d'innovation sociale' [SSE and Social Innovation Policies Assessment] [Online - Webinar recording], 13 March 2020

Avisé and RTES, 'Métropoles, économie sociale et solidaire & innovation sociale' [Metropolitan Areas, Social and Solidarity Economy & Social Innovation], July 2019

Avisé, 'Évaluer l'impact social : un éclairage pour ceux qui financent les structures d'utilité sociale' [Assessing Social Impact: Explanations for Financers of Social Utility Organisations], December 2017

Avisé and RTES, 'Inscrire l'utilité sociale au cœur des politiques locales' [Putting Social Utility at the Core of Local Policies], March 2012

*These publications are available in French at: [www.avise.org](http://www.avise.org)*

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### **Avise and social impact assessment**

In a world where the performance of economic actors is essentially measured by their financial returns, developing social impact assessment will help to establish the identity of an alternative economic model that sustainably and positively promotes society's transformation, while improving the social performance of social utility organisations.

With this in mind, Avise develops and runs the **National Resource Centre for Social Impact Assessment**, which has the following missions:

- inform about knowledge and progress in the area of social impact assessment;
- provide tools for skills development in social utility organisations and their ecosystem;
- experiment with new assessment practices;
- coordinate the various actors in order to create convergence.

Avise also runs Social Value France, the leading French network dedicated to social impact assessment, bringing together assessment practitioners and SSE organisations, as well as public and private financiers.



*Avise is a non-profit organisation based in Paris since 2002. Its mission is to develop SSE & social innovation in France and Europe by supporting project leaders & helping to establish an ecosystem favouring their development. It coordinates action programmes covering every stage of social enterprise's life cycle. Its main objective is to drive essential change in our economy so as to make it more sustainable and more people-centric.*

[www.avise.org](http://www.avise.org)

