COOPERATION STRATEGIES BETWEEN PUBLIC AND SOCIAL ECONOMY ORGANISATIONS: HOW TO COOPERATE WITHOUT LOSING YOUR "SOUL"

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Cooperation strategies between public and social economy organisations: How to cooperate without losing your "soul" / Chapter 9

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Abstract

This chapter questions the conditions required for sustainable cooperation between public and social economy organisations. First, it reviews the literature to identify the ideal type of sustainable cooperation, *i.e.* preserving the identity of social economy organisations and allowing a consensus regarding objectives, decisions, and the implementation of public policies. Secondly, we apply this framework to three case studies, the relationships between the French Red Cross and the State; between a social employers' organisation and the local authorities; and finally, between the local authorities and non-profit organisations to which they addressed a call for expression of interest. In the first case, the cooperation, based on a partnership, enables the co-construction of public policy. In the second case, the cooperation also appears founded on a partnership, but is oriented toward complementarity rather than co-construction. In the third case, the cooperation based on contracting, leaves less room for the preservation of the non-profit organisations' identity. The case studies reveal both the difficulties of cooperation, and some conditions for sustainable cooperation. These conditions include the strength of the social economy organisations' identity, and its ability to influence the relationship towards exchange and co-construction.

Keywords: sustainable cooperation; strategies; public organisations; nonprofit organisations

JEL-Codes: M1, M14

Introduction

The issue of cooperation between public organisations (PO) and those of the social economy (SEO) has been the subject of numerous empirical and theoretical studies. Such cooperation can take many forms, depending on whether it is at micro or macro level, the type and purpose of the organisations involved, the industry, and the country; and it can also evolve over time. In these studies, the appropriateness of cooperation between PO and SEO is rarely questioned, but some forms of cooperation appear more fruitful, balanced and sustainable than others. In this paper, we discuss the types of cooperation between PO and SEO and their consequences.

Based on a study of SEOs, specifically non-profit organisations (NPO) and public policy, conducted since 2009, we analyse several cases of cooperation strategies observed between these two types of organisation between 2010 and 2016.

We were led to analyse in depth the links between PO and SEO, particularly non-profit organisations, including strains in these links:

– **In the medico-social field**: with the move away from subsidies towards public tendering for precise projects, or even the instrumentalisation of these organisations (often non-profit) by the authorities,

– **In the field of policies in favour of non-profit organisations and social innovation**, particularly through two schemes: the Innov'action scheme, which benefited employers' associations (EA) and the scheme to assist expressions of interest (AEI), which targets the heads of regional NPO networks.

With regard to NPOs our findings are in line with those of other social economy researchers and actors. Two central issues, two stumbling blocks appear in relationships between NPOs and public organisations:

– How to escape from a public order type relationship, which locks SEOs into the role of service providers and deprives them of their innovative nature?

– How to encourage the innovative dimension (social innovation) of the social economy organisations and direct it towards the public interest that public organisations promote?

Our research led us to analyse these relationships in terms of risk:

– **Risk of normalising** the NPO, **of hijacking its project** and of turning it into a **service provider**;

– **Rick of managerialisation** leading to **a loss of meaning** for both volunteers and employees (Combes-Joret & Lethielleux, 2012, 2014, 2016) and **threats to organisational identity**.

However, as witnessed by numerous studies (Laville, 2010), NPOs are not condemned to helplessness and even demonstrate a degree of ability to reshape public action.

The perspective we take in this article is that of the possible mutual influence between social economy and public organisations. Our approach is exploratory, neither normative nor prescriptive, but aimed at understanding complex situations and processes.

We take as our starting point the fact that there are many different types of cooperation between public and social economy organisations, and that some of these forms preserve the identity of the SE organisations better than others. **We hypothesise that it is precisely when they preserve the identity of SE organisations that partnerships can be not only effective (providing optimal benefits to each party) but also sustainable**.

After analysing the different types of cooperation strategies between POs and SEOs (1), we present three cases of cooperation observed between 2010 and 2016 (2) and discuss the conditions that favour effective, sustainable cooperation.

1. Strategies for cooperation between public and social economy organisations; the search for sustainable cooperation forms

The links between public organisations (PO) and social economy organisations (SEO) have given rise to an abundant literature, which adopts different perspectives and concerns different disciplines (Camus, 2014).

These relations are complex and take many forms; they present risks and difficulties but are nonetheless considered strategic with regard to social innovation, particularly in the medical-social field. In this first section, we propose a theoretical frame to identify the conditions that favour sustainable cooperation between public and social economy organisations. Several overlapping criteria define the public organisation (Bartoli, 2005: 51)[1], in this paper we refer to public organisations as actors that act to further public welfare.

1.1. Risks involved in cooperation between public and social economy organisations

Relations between public and social economy organisations seem ambiguous[2], particularly because they can jeopardise the promotion of innovation by SEOs and thus their objectives and even their identity.

1.1.1. Anti-State Bias

Many studies of the links between public and social economy organisations suggest, implicitly or explicitly, that when SOEs collaborate with public organisations, they cease to be a force for progress, and lose their *raison d'être* and even their identity. Asad and Key speak of '*anti-state bias*' when describing such relations (2014: 325).

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[1] These include: the existence of a specific **legal status** either for the structure or for its personnel; work on **public interest** missions; **non-commercial** and/or non-competitive activities and non-profit-making aims of the organisation; **ownership** of the capital and/or assets by the State; **control exercised by the State**, which sets particular constraints (Bartoli, 2005: 51 and following).
[2] The difficulties linked to the new institutional framework of the co-construction, associating public and private organisations (both for-profit and non-profit) of public action in France, are explored in the present book in the paper proposed by Bance, Milésy and Zagbayou.

Indeed, social economy organisations often originate in opposition to the established order; take the form of innovative, creative projects; or respond to new needs in the social, economic, cultural or educational field[3]. The very identity of such organisations is based on this ability to produce social change (Ragi, 2000). Their comparative advantage over other actors relies on this identity (Coston, 1998).

For their part, the authorities are tempted to control the vitality of social economy organisations, which are often perceived to be critical of them. The public authorities attempt to control them in different ways, such as regulation, monitoring, finance (subsidies), and sometimes in more devious ways, such as making them compete with other organisations.

Later on, social economy organisations often develop a project, narrow their field of action, become more professional, "institutionalised," become more willing to develop relations with other actors, particularly public organisations. The quality of the services they deliver improves, but this comes with a price, a degree of "conformity." They become less promoters of social change, and can even become instruments of regulation and preservation of social order, or even just service providers (Ragi, 2000).

Relations between public and social economy organisations can thus be ambiguous. Public organisations look to cooperate with SOEs for their identity, their skills (their "comparative advantages," at the origin of partnerships, see below), yet at the same time these relations are likely to challenge this very identity.

1.1.2. Spreading the principles of New Public Management from public to social economy organisations

The spread of the principles of New Public Management to the social and medical-social sectors affects the values and standards that guide the way actors behave (Merrien, 1999).

Between the reduction of State subsidies on one side, and the imperatives of performance and competition on the other, it becomes difficult for SOEs (large and small) to resist institutional pressures and remain loyal to their original objectives.

The introduction of management terminology and rhetoric (efficacy, performance, indicators, plans to balance the budget, communication plans, etc.), analysed by Dart (2004) as the extension of an entrepreneurial logic, constitutes a first threat to the identity of SEOs. Delalieux (2010) demonstrates that this conversion of NPOs, particularly to management, and the changes that it generates, are neither "natural" nor "anodyne." The introduction of a performance logic to SEOs leads them to rationalise their activities and operating methods.

Delalieux (2010) demonstrates that putting NPOs in competition with each other affects their internal operations in **four ways** that **threaten their identity**:

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[3] From different case studies observed in Kabylie, Ahmed Zaid points out in the following chapter of the present book how social innovations can be supported by partnerships between OP and OESS.

- Under the rules of competition, the beneficiary (or user) becomes a genuine client, and NPOs find themselves obliged to get rid of less profitable "clients."
- When activists become more professional (recruitment from private for-profit firms, training in management techniques etc.), governance must be vigilant to avoid the risk of distorting the aims of the NPO by submitting to economic prerogatives.
- The commercialisation of some of the organisation's activities or structures can lead it to sell off a part of its activities.
- Putting NPOs into competition with each other in calls to tender may reduce the level of solidarity and cooperation between them.

Yet the circumstances in which resources are becoming rare pushes SE organisations to cooperate increasingly closely with POs. Nonetheless, in certain conditions, such cooperation can occur without harming their identity and organisational characteristics.

1.2. What forms of governance facilitate sustainable cooperation?

By comparing the different governance systems, we can identify the features that enable the co-construction of sustainable public policies that maintain the identity of the SEO.

1.2.1. The different forms of construction of public policies

Vaillancourt (2008) distinguishes several forms of construction of public policy, which give different roles to the different potential actors. Of these, democratic co-construction appears to us to provide the best answer to our question: what forms of cooperation guarantee the identity of the SEO?

Table 1 - The construction of public policies:
the virtues of democratic co-construction

Mono-construction of public policy	In such a situation, POs consider that public policy is their responsibility alone. It is compatible with some forms of co-production, whereby the State develops its public policy but "uses" either the for-profit or not-for-profit private sector, to implement it.
Neoliberal co-construction	In this configuration, POs develop public policies in cooperation with the private sector via quasi-markets. New Public Management promotes this type of configuration.
Corporatist co-construction	In this type of situation, public policy is developed together with organisations representing the interests of some groups or stakeholders.
Democratic co-construction	This system is based on solidarity, and is compatible with an attempt to serve the public interest. Such an attempt presents four features. The State remains the dominant partner and takes the final decisions. It promotes a vision of POs in which they can become partners of civil society. It makes it possible to reconcile the best of representative and of participative democracy (Enjolras, 2006). It involves acknowledging stakeholder participation by social economy actors, and partnerships between POs and these stakeholders.

Source: Vaillancourt (2008: 289-295).

The final configuration – democratic co-construction – enables the development of partnerships and cooperation between POs and SEOs and of the co-construction of public policy. **It uses the different stakeholders in a balanced manner, while contributing to promote the public interest:** "In fact, when stakeholders from civil society and the social economy are forgotten or instrumentalised in the relationship with the State, public policy is impoverished, because it reproduces the downside of competitive or bureaucratic regulation" (Vaillancourt, 2008: 27).

1.2.2. Partnership governance

Democratic co-construction is rooted in the partnership governance logic developed by Enjolras (2008). Enjolras defines governance as the search for alternative action modes for public intervention, which promote the public interest without using coercive public policy instruments (Enjolras, 2008, 2010).
Different institutional arrangements or "systems of governance" are possible. They are defined by the actors involved in achieving public interest objectives, by the economic policy instruments employed (regulatory, informal, and incentive) and the institutional coordination methods. Public governance is a feature of the traditional view of public services in France; meanwhile corporatist governance structured the German social services at the end of the 1990s, competitive governance structure those in the UK, and the Canadian province of Quebec experimented with partnership governance before the market approach came to the fore (Enjolras, 2008).

From this perspective, Marival, Petrella and Richez-Battesti (2015) analysed the impact of current reorganisations on the non-profit landscape, on the French regions of *Provence-Alpes-Côte d'Azur* and *Languedoc Roussillon*, and more particularly on the new or renewed governance systems adopted in partnerships. Contrary to all expectations, **these authors show that the cooperation process can contribute to revitalise and reaffirm the socio-political dimension of NPOs by which they promote institutional change**. This research highlights the fact that PO/SEO partnerships can create an impetus and become the source of different forms of innovation, promoting the public interest in a given area.

Democratic co-construction makes social innovation possible during the development and implementation of public policy. Indeed, the SEO, both new and old, promote new projects, social criticism, creativity, which finally support the construction of public policies. An approach oriented towards co-construction between partners encourages the adaptation of public policy to emerging needs and social reality (Fontan, 2006), and brings several actors together to forward the public interest (Pestoff, 2006).

We complete this general framework, presenting different forms of cooperation, by identifying the conditions for sustainable cooperation, which we use to analyse several typical cases of PO/SEO cooperation.

1.3. Towards a sustainable cooperation strategy

Here we examine the conditions that need to be assembled to make PO/SEO cooperation sustainable (that is, balanced and lasting), and the processes that guarantee such sustainability.

With this in mind, Camus (2014) identifies several different approaches to PO/SEO relations. In this article, **we favour two complementary approaches**: collaboration and partnership; and interaction styles.

The collaboration and partnership approach considers PO/SEO relations as an example of cooperation between actors in different institutional sectors, and research in this area analyses why cooperation is desirable and beneficial for the different parties. **The interaction styles approach** analyses PO/SEO relations as configurations, arrangements, and interactions, and builds typologies of these relations based on different dimensions. The Collaboration/partnership is a micro-level approach (at organisational level). Interaction style approaches focus on both sectoral and organisational levels.

1.3.1. An analytical grid for PO/SEO relations

The Coston-Brinkerhoff (1998) typology, which uses both the interaction styles and collaboration/partnership approaches (Camus, 2014), is appropriate for our research due to the different dimensions it proposes, which we detail in Table 2 below.

Table 2 - PO/SEO relations

Contracting	Public organisations contract (formally) with Social economy organisations for the provision of social services. This engenders a degree of risk for the SEO: risk of insufficient funding, or on the contrary the risk of competing with commercial organisations if the funding permits it, and the risk that the State will decide to provide the service itself.
Third-party	Public organisations collect resources and determine the social priorities, while SEOs or for-profit organisations organise service provision (formal contracting). This allows for diversity in service provision.
Cooperation – Coexistence	Resources and information are shared (free flow of information between PO and SEO, each party informing the other of its respective operations), SEOs follow the rules dictated by the government, and the government has a neutral policy with regard to SEOs. POs and SEOs coexist, even if this can result in overlapping (cooperation: informal relations). These relations can be observed in a given sector but not in others.
Complementarity	Several types of complementarity can be identified. In philanthropic complementarity, the government allows SEOs to manage resources at local level and to work directly with local institutions. Intermediation complementarity gives SEOs a more institutionalised role; the government gives them the power to conduct certain governmental functions. In "assisted autonomy" complementarity, SEOs act as catalysts for local initiatives; they help local actors to define their needs and formulate appropriate strategies to answer them. Apart from these three standard types of complementarity, other more specialised types can appear, depending on the context, the sector, etc.

	Every form of complementarity is based on comparative advantages, the legitimate role of the PO, and a substantial degree of autonomy for SEOs. This complementarity is relatively informal and can be limited to certain social economy organisations or sectors (governments and social economy organisations rarely admit to being complementary in every circumstance). The greatest **difference between complementarity and collaboration** lies in the **degree of formalism**. Collaboration implies more formalism (joint action requires a formalisation process, and this is generally a collaborative rather than a complementary relationship).
Co-construction (collaboration)	These relations imply information and resource sharing, and joint action. They are similar to **coproduction** processes, that is, the PO shares responsibilities and operations with other actors (commercial organisations and SEOs). Collaborative relations **respect the identity** of the participating organisations. In the three last types of relations identified by Coston, SEOs and POs thus act together. But the co-construction of public policy (at macro level) requires the parties to go beyond joint action. **Co-construction requires SEOs to take part in the development of public policy, not just in their implementation (Vaillancourt, 2009)**.

Source: adapted from the Coston-Brinkerhoff model (1998: 363).

The Coston-Brinkerhoff scale gives detailed insights into the processes at play in the two fields studied in this article (medical-social and promotion of social innovation). It is particularly often used in the Canadian context (Gauvreau, Savard, Tremblay, Diadiou, 2009; Proulx & Savard, 2012), more specifically in the home care sector, even if initially it dealt more with relations between States and non-governmental organisations (NGOs).

Proulx, Bourque & Savard (2005) and Savard, Robichaud & Tremblay (2009) take up this typology describing in detail the type of relations that develop between the public and third sectors (Table 3).

Table 3 - Typology of relations between public establishments and community organisations adapted by Proulx, Bourque & Savard (2005)

	Social-state model	Relation models		Social-community model	
Dimensions	Subcontracting	Third party	Coexistence (cooperation)	Supplementarity (complementarity)	Co-construction (collaboration)
Openness to institutional pluralism	Low	Moderate	Moderate	High	High
Intensity of relations	Low	Low	Moderate	High	High
Symmetry of power relations	Moderate	Moderate	Low	Moderate	High
Formalism of relations	High	High	Low	Moderate	High

Source: Savard S., Robichaud S., Tremblay S. (2009: 251).

We consider this typology appropriate for identifying sustainable PO/SEO cooperation relationships that maintain the identity of both SEOs and POs, and promote the public interest. We explore the actual conditions in which they are implemented below.

1.3.2. Conditions for sustainable cooperation …

The ideal-type of partnership as defined by Brinkerhoff (2002) and by Brinkerhoff & Brinkerhoff (2011) provide us with a scale to assess how cooperation is implemented.

According to Brinkerhoff (2002: 21), an ideal-typical partnership is characterised by "a dynamic relationship among diverse actors, based on mutually agreed objectives, pursued through a shared understanding of the most rational division of labour based on the respective comparative advantages of each partner. Partnership encompasses mutual influence, with a careful balance between synergy and respective autonomy, which incorporates mutual respect, equal participation in decision making, mutual accountability and transparency".

This ideal-typical definition highlights six conditions to be fulfilled when setting up partnerships:

- Jointly determined objectives;
- Decisions taken collectively and by a consensus;
- Horizontal rather than hierarchical structures and processes;
- Formal or informal relations based on trust;
- Synergetic interactions between partners;
- Shared attribution or responsibility for effects and results.

From an analytical perspective, two key dimensions characterise such partnerships: reciprocity (mutuality) and organisational identity.
Reciprocity, or mutual dependence, implies rights and responsibilities for each actor. There is strong mutual commitment to the partnership's objectives and goals, as well as shared objectives, consistent with those of the other partner. Reciprocity implies interdependence and interaction.

The identity of an organisation reflects the missions, values and identified constituents to which this organisation is accountable and for which it is responsible (Albert, Whetten, 1985). One motive behind partnerships can indeed be to gain access to resources to attain objectives and maintain organisational identity.

These two dimensions, shared decision making and consideration of the identity of the SEO, enable four types of relations to be identified: partnership (strong mutuality and organisational identity), contractual (weak mutuality, strong organisational identity), extension (weak mutuality and organisational identity), co-optation or absorption (strong mutuality, weak organisational identity) (cf. Table 4).

Table 4 - Typology of partnerships, Brinkerhoff (2002)

Mutuality / Identity	STRONG	WEAK
STRONG	*Partnership* Reciprocity and identity are optimised. The partners are mutually dependent. Reciprocity is acknowledged in recognised, shared objectives.	*Contractual* Situation where the PO seeks the characteristics and identity of the SEO to achieve certain aims using certain means.
WEAK	*Co-optation or absorption* The organisations agree on the aims and the means, or one organisation is convinced that it is in its interest to follow the path of the dominant organisation. By joining the partnership, the organisation compromises its identity (organisations often lose their identity via processes of compromise and adaptation).	*Extension* The organisation itself has little identity (e.g., organisation set up by the government to undertake certain tasks). The SEO has little independence or identity, it acts as the contractor for plans made by the government.

Source: Brinkerhoff, 2002:22.

This representation interests us especially in that it provides insights into types of partnership between a large non-profit organisation with a strong (yet destabilised) identity and the State, as we will see in the case of the French Red Cross.

1.3.3. … that preserves the valuable features of social economy organisations

In our discussion of the conditions for sustainable cooperation, **the intra-organisational dimension also deserves attention**. The social economy organisation's internal governance structure also affects its founding values and principles (its praiseworthy characteristics).

With this in mind, and faced with the risk that SEOs and the non-profit sector in particular will become just another sector, several collectives and studies have proposed avenues for the development of a non-profit governance structure capable of facing up to the competition (La Tribune Fonda, 2007: 97).

In these proposals three dimensions appear to be central, and to apply to many organisations:

- The division/balance of power between governance and management;
- Risk assessment and prevention;
- Transparency and responsibility.

Recent developments in neo-institutionalist theory provide interesting insights that help us understand how organisations can struggle against the three forms of isomorphism (coercive, mimetic and normative) and release their creative forces. These developments reconsider the role of the actors, particularly those in a so-called dominant position, liable to contribute to the creation of operating rules in their sector (Garud *et al.*, 2002; Demil, Leca & Naccache, 2001; Tellier, 2003).

To summarise, **partnerships and cooperation are most productive when they are based on maintaining the identity of the organisations, on reciprocity, and on**

commitment to a governance structure that links the different actors working for the public interest.

2. Our research method: analysis of 3 cases of PO/SEO cooperation

In this second section, we present three cases of PO/SEO cooperation, using data collected between 2010 and 2016 for three different research projects:

- With the **French Red Cross** between 2010 and 2013;
- With the French Grand Est Region, for the Social Innovation and Employer Groups programme (Innovation Sociale et Groupements d'Employeurs - ISGE) between 2015 and 2017;
- With the State and the Region for the Call for Expressions of Interest scheme (Appel à Manifestation d'Intérêt - **AMI**) (study covering the period 2010-2013).

To facilitate the analysis of these three cases of cooperation, we present each case in a similar way, beginning with the context of the cooperation, followed by our observations of the actual effects of the cooperation, and finally the lessons to be learnt from each case in terms of conditions for sustainability.

2.1. The French Red Cross (FRC): partnership cooperation

2.1.1. Presentation of the FRC case

The French Red Cross (FRC) was set up in 1864 and given the status of "public interest association" in 1945. The French Red Cross is now a leading "non-profit enterprise" in France ("*entreprise associative*" Tchernonog & Hély, 2003), in terms of the diversity of its operations in the social, medical-social, health and humanitarian fields in France and abroad, and by the density of its territorial network (56 000 volunteers and 18 000 staff divided between 800 units and 600 establishments).

It supports the public authorities in the humanitarian field, which makes it a major actor at times of natural disasters and exceptional situations. **It also has a special relationship with the State with regard to the implementation of public policy in the areas of health and social action**.

2.1.2. Effects of the cooperation

The size and prominence of the FRC (as well-known all over the world as Coca-Cola, according to one of its regional leaders) make it an institutional entrepreneur (DiMaggio, 1988 & Suckman, 1995), with the ability to influence public policy. An institutional entrepreneur is an actor with sufficient resources to contribute to the construction of a new environment or to negotiate the redefinition of the existing institutional environment (DiMaggio, 1988).

A feature of the institutional entrepreneur is its ability to exert influence: it is able to formulate a problem and use it to plead for its own cause and interests, and to develop legitimate, justifiable arguments for the dominant actors in the institutional field. It also has the ability to bring others on board, to construct coalitions in support of its institutional project.

Our analysis of the data collected on the FRC highlights this institutional entrepreneur aspect, at different levels.

It appears first through the reasons why certain FRC employees chose to work there: "I didn't come to the FRC just by chance, but because of its values and because I thought it was strong enough to stand up for those values and maintain them. Particularly with regard to the States demand for technical competence and the risk of losing their amateur dimension" (employee, 40 years old, manager of an asylum seekers host centre - Centre d'Accueil des Demandeurs d'Asile, CADA). **In the face of outside pressure, particularly from the State, the FRC appears strong enough to maintain its independence and its non-profit project to "humanise life."**

The institutional entrepreneur dimension also appears in the examples given by people we met (both volunteers and employees) of **experimental projects encouraged and supported (financially and institutionally) by the FRC,** such as projects developed in response to new needs (launch of an Alzheimer respite care centre, end-of-life care homes), or for specific groups (maintaining contact with prisoners, creation of a reception area in a prison for families waiting to meet prisoners). **All these projects, which go beyond the FRC's immediate responsibilities, demonstrate this desire to innovate and push back the boundaries.**

Finally, this dimension appears clearly in the new position adopted by J. F. Mattei, President of the FRC from 2005 to 2013, founded on advocacy, the new expression of the FRC's principle of neutrality: "never attack anyone, but on the contrary, defend those in need of help, and so develop a policy of advocacy, but advocacy for, not advocacy against" (Mattei, 2011: 29). This public statement, to politicians and citizens, in defence of the most vulnerable was an urgent desire of both employees and volunteers. The lack of engagement on the grounds of neutrality was increasingly difficult for the members to accept.

2.1.3. Analysis of the type of cooperation observed: partnership and co-construction

In Brinkerhoff's (2002) typology, **the nature of the relations** between the FRC and the different public organisations (central government, regional councils, local heads of police, etc.) **is clearly that of a partnership**. The declared identity of the FRC and the strong mutuality (reciprocity) of its relations with the State and its local representatives makes this type of cooperation sustainable (with regard to the unique identity of the FRC) and lasting (since 1864).

The FRC, like other structures, is not totally immune from the pitfalls associated with the spread of the principles of New Public Management. It even faces a triple isomorphism: coercive, through the reduction of public funding; normative, through the presence in its senior management team of managers coming from sectors other than the social economy; and finally, mimetic, through the spread of the performance logic. Yet it has managed to retain its ability to defend its founding values. It holds sufficient resources to modify its institutional environment and preserve its original model. Whether by its size and prominence, its political roots, its strategy of advocacy or its ability to lead social initiatives, it contributes to shape the institutional

environment and is in a position of balanced power relations with public organisations.

In Coston's (1998) typology, adapted by Proulx, Bourque and Savard (2005), the relations between the FRC and the State are embedded in a **socio-communitarian model, characterised by strong, balanced relations taking the form of supplementarity or even co-construction in certain cases.**

Finally, the reciprocity and mutual dependence between the State and the FRC give each national and local actor in this cooperation (FRC head office in Paris, presidents of local and regional FRC delegations, directors of establishments) its own rights and responsibilities. **The strong mutual commitment to shared objectives consistent with the identity of each partner (PO and SEO) guarantees the sustainability and durability of their cooperation.**

2.2. The Social Innovation and Employer Groups programme (ISGE): partnership cooperation

2.2.1. Presentation of the case: ISGE

This project is part of a regional scheme, Innov'Action, funded by the *Grand Est* regional council over two years (2015-2017). The interest of this scheme is that it brings together actors on the ground and researchers for an action-research project. The project aims to support employer groups (EG), which are non-profit organisations supporting short or long-term fulltime job creation. The employees are employed fulltime by the EG and work for part of the week in different companies. The research project is led by two EG, one multisector group for profit-making firms and a non-profit oriented EG supporting non-profit organisations. A multidisciplinary team of six researchers (a legal expert, 3 management experts and 2 sociologists from the University of Reims and NEOMA BS) supports them in their work of co-constructing an EG network, initially in the *Champagne-Ardenne* region, and then after local reorganisation, in the *Grand Est* region.

2.2.2. Effects of the cooperation

The cooperation between the EGs (SEOs) and the POs takes place at two levels. **At regional level**, the Grand Est region funds a research programme to help the region's EGs to cooperate together through an improved organisation. But can we state with certainty that without the funding the reorganisation would not have taken place? This is actually a case where a facilitator has been introduced to help EGs invest resources in this inter-EG cooperation project in a given area, a type of project that currently does not exist in any other region.

At national level, employer groups were established by law in 1985, but even after 30 years' existence, they are struggling to obtain public recognition, and remain largely unknown in the temporary work sector. The 18 governmental measures of 9 June 2015, co-constructed with organisations representing EGs in France, perhaps represent the beginning of the end of institutional invisibility.

2.2.3.   Analysis of the cooperation observed: complementarity and partnership

The cooperation studied between employer groups and the Grand Est region as part of the Innov'Action scheme is close to a relationship of "complementarity" (or supplementarity) in the typology proposed by Coston (1998). It can also be analysed with regard to the typology of partnerships proposed subsequently by Coston-Brinkerhoff (2002). In this second typology, the cooperation studied is based more on a partnership logic (strongly characterised by identity and mutuality). Two reasons lead us to conclude that this is the type of cooperation taking place, the fact that the public organisation agrees to fund a project leader organising local action to promote employment (a major concern in France), and the fact that it allows the project to contribute to the development of public policies and programmes (the national federations were invited by the Ministry of Labour to make proposals, as illustrated by the measures announced on 9 June 2015 by the French Prime Minister, M. Valls).

2.3.   The call for expressions of interest scheme (Appel à Manifestation d'Intérêt - AMI): contractual cooperation

2.3.1.   Presentation of the Case

In 2014, the University of Reims' Chair in Social Economy was invited to conduct a study of the use and effects of the call for expressions of interest scheme (Appel à Manifestation d'Intérêt - AMI) proposed in the Champagne-Ardenne region since 2010 (this region has now become part of the Grand Est region). This scheme, targeting heads of regional non-profit networks, "aims to help federations to support non-profit organisations in anticipating change. It aims to support the definition and implementation of local development projects by federations in their network or by several federations in the local interest." (AMI, 2016: 3). For example, the 2016 State-Region AMI is organised around two topics: support for joint-NPO action and federal activity.

The scheme aims to set up a partnership relationship between the State-Region and SEOs in a given local area.

The research team analysed 25 applications made as part of the AMI scheme between 2010 and 2013 for this project. Table 5 provides an overview of the topics covered by these file.

**Table 5 - Summary of the main topics proposed in the AMI scheme
in connection with SEO/PO cooperation**

Topics	Subjects developed
Reinventing the non-profit model in the region	▪ place of NPOs in the region to help with the implementation of a partnership logic between NPOs and local policy (refusal of the "micro-territory"). ▪ collaborative tools - transmission of NPO knowledge - dialogue between authorities and NPOs. ▪ obstacles and levers of inter-NPO cooperation. ▪ avoiding the **risk of instrumentalisation** by authorities (e.g., creation of action to respond to calls for projects). Network heads stress the importance of re-appropriation of actions by the local population in a given area (co-construction/serving the population).
Working to improve visibility of the added value/social utility contributed by NPOs in the region	The idea is to think about ways of promoting different projects and increasing recognition of their social utility. ⮷ helping citizens **develop their ability to act on society and proposing spaces for reflection… the NPO movement must think about ways of creating new citizens**. ⮷ **choice of indicators** to assess and promote achievements.

The dominant topic for work is that covering the construction of an NPO network and the issue of tomorrow's model. NPO actors clearly express their desire to "influence current evolutions and consolidate their position (...)."

The note presenting the scheme in 2014 mentions two key points on funding and the weight of the State in this partnership:

- State and regional funding may not exceed 50% of the total budget planned for the project;
- Total public assistance cannot exceed 80% of the total cost of the project.

Generally, all the projects fall within (towards the top of) this range. For some projects the funding allocation is a very important part of the budget… making the scheme crucial to deal with certain problems in the SE sector.

2.3.2. Effects of the cooperation

The dynamics of the AMI scheme (AMI, 2016: 7) can be summarised in two topics.

Topic 1 aims to provide time for reflection with regard to NPO innovations. The support of the Champagne-Ardenne regional council and the regional youth and sports department (DRJSCS) since 2011 have made it possible to encourage experimentation by NPOs and to launch a joint scheme for heads of regional NPO networks.

Without this aid, it seems obvious that NPO organisations would not have been able to invest human and financial resources in a reflection on the study of NPO innovation, which is essential if they are to ensure effective change. The scheme is part of the State-sponsored local Fund for NPO Development in the Champagne-

Ardenne region and of the Champagne-Ardenne regional council's policy to support NPOs.

Topic 2 covers the encouragement of collaboration between NPOs. The AMI creates an environment that encourages collaboration between NPOs, as demonstrated by the number of multiple-partnership projects (even if they remain a small proportion of the total number of projects – only 12% between 2010 and 2013). This dynamic is a source of discussions with regard to best practice, and contributes to unite the networks.

To these two topics we may add the fact that the scheme contributes to the development of a **database available** to heads of networks via access to different studies, the vulgarisation of knowledge and issues concerning NPOs. More generally, it makes projects conducted by NPOS **more visible and better recognised** by internal and outside actors. Nonetheless most of the reports highlight the fact that the duration is too short to develop relations with researchers to facilitate an objective approach.

The different reports studied reveal that the AMI scheme enabled network heads to:
  – **Work on a regional identity** (particularly by facilitating multi-partnerships and collaborative work "to identify the levers of inter-NPO cooperation");
  – **"take time"** to think about their strategic orientations in the face of transformation in the sector ("anticipate the future/prospective procedures");
  – **Develop work with outside institutions** (e.g. universities);
  – **Overcome problems linked to geographical distance** in the region thanks to the payment of travel expenses;
  – **Develop spinoffs** (funding of a network head provides spinoffs at local level);
  – **Formalise the "NPO life"** of network heads.

All these different remarks lead us to two conclusions: **funding for network is insufficient** – without the AMI scheme, the great majority of the projects conducted would not have seen the light of day in the current economic crisis – and the trend for NPOs to join together in **federations**.

Our analysis also reveals that the time allocated (on average between 12 and 15 months) to accomplish the projects remains insufficient with regard to the scope of the topics proposed. The short deadlines also explain the frequency of requests for renewal. Generally, at the time of the first request, organisations are able to draw up a fairly precise analysis of the context and sketch out an action plan (aim of the request for renewal).

2.3.3. Analysis of the type of cooperation: third-party and contractual

The interaction styles approach (Camus, 2014) and more particularly Coston's (1998) typology, provide an appropriate frame to understand the cooperation observed in the AMI scheme between public and social economy organisations. Based on this typology, the relationship is closest to "third-party" cooperation: "here, the public organisation limits itself to establishing orientations and priorities, and delegates to

third sector organisations the responsibility for organising service production, thus limiting its influence on the activities of the organisation and how it uses the funds" (Proulx & Savard, 2012: 13). The characteristics of the four dimensions described by Proulx, Bourque and Savard (2007) align with what we observed at focus group meetings organised during the research project: openness to moderate institutional pluralism, large number of weak relationships (a review meeting is planned), moderately balanced power relations and high degree of formal relationships (production of intermediate reports justifying actions). The Coston-Brinkerhoff typology (2002) also provides interesting insights, allowing us to describe the cooperation as "contractual." Indeed, the public organisations grant funds to the heads of NPO networks to help them develop their regional organisation. Nonetheless, the fear expressed by the (small) social economy organisations, particularly with regard to maintaining their identity, raises questions as to the classification of this partnership as one of "extension" (allowing NPOs little independence or identity).

This case study also highlights the tensions and ambiguity resulting from this cooperation, in which the network heads raise the issue of maintaining their identity (should we misrepresent the NPO's aims to attempt to correspond to the call for projects and thus obtain funding enabling us to continue our activity for two years?) and the spectre of instrumentalisation. These concerns are in line with the conclusions of Petrella and Richez-Battesti (2010), who question the effects of a redefinition of public action accompanied by the reinforcement of requirements in terms of efficacy on the governance of private non-profit organisations (including social service organisations). This new perimeter of public action introduces new, quasi-commercial governance methods that weaken the forms of partnership governance that the authorities seek to encourage in French regions.

3.   Conclusion: the conditions for sustainable cooperation

The three cases presented provide several clues with regard to the conditions for effective, sustainable PO/SEO cooperation as we defined it in our introduction: cooperation that preserves the organisational identity of the partners (particularly the social economy organisation); which optimises the contribution of each; and which is sustainable over time.

The case of the French Red Cross reveals that its size, age and prominence make it an institutional entrepreneur, which can influence public policy and contribute to its construction. In the health and medical-social fields, it is able to develop partnership type relationships with the State and its representatives.
More broadly, the case of the FRC shows that **Coston's (1998) co-construction relationship is not utopian**, but easier for large SEOs to set up. **The case also confirms our hypothesis that the co-construction of public policy encourages the development and implementation of social innovation**. Examples of this include

respite care provided for those caring for Alzheimer sufferers, the maintenance of contact with the prison population and the defence of asylum seekers.

The case of the Innov'action programme (ISGE) underlines the importance of formal or informal relations based on trust and the effects of synergy between the partners. This type of programme is led by local actors (in this case two employer groups) whose project to develop an EG network was approved and funded by the *Grand Est* region as part of the Innov'action programme. This example of cooperation is **not yet at the stage of co-construction, but an intermediate stage**, which can be described as partnership cooperation in the sense that the partners (EGs) have succeeded in proposing a project that fulfils the criteria for social innovation previously defined by the region.

Unlike the two other cases, **the case of the AMI scheme** is an example of formal or informal relations based on trust between different sized NPOs, heads of NPO networks, and public organisations. The scheme remains closely monitored by the authorities, but has the advantage of supporting initiatives that would not have been possible without this aid. However, the public organisations weigh much more heavily in the relationship than the social economy organisations. Here again, we are very far from the "co-construction" model, and closer to that of the third party and contractual cooperation (or even extension cooperation for the smaller SEOs) in the sense of Coston-Brinkerhoff (2002).

In these typical cases, the identity of each type of organisation was preserved, yet reciprocity in contributing to objectives and co-constructing public policy was not always ensured.
In particular, the initiative for the cooperation came mostly from the authorities in cases 2 and 3, and cooperation occurs in one-off actions. In case 1, however, the cooperation project is shared by the two actors and is a long-term initiative.

Yet the three cases highlight the extent to which cooperation encourages social innovation. In case 1, social innovation is initiated by the SE organisation, whilst in cases 2 and 3 it is led by public organisations.
The present chapter provided insights on the conditions for sustainable relationships between public organisations and social economy organisations; it should be extended with additional case studies to refine the analysis of such relationships.

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