

EXPANDED ABSTRACT

Methodological Proposal for Social Balance Evaluation in Social and Solidarity-Based Economy Associations

Objective

The Social and Solidarity-based Economy as an alternative economic model of endogenous development in Ecuador is mainly characterized by the diversity of sectors grouped in associations, credit unions, communities as well as social and economic units. To ascertain the social and economic impact is a challenge to establish policies aimed to promote these forms of organization; for this, the Superintendence of Social and Solidarity-based Economy –SEPS– in 2013 identified macro dimensions and dimensions that allow to analyze the social balance of the Cooperative sector, advising the need to implement indicators which have to be adaptive to all the recognized associative forms under a suited methodology adapted to the one mentioned before.

In Ecuador during 2016, the associative model represented the 64, 61% of the 9.139 Associations and Credit Unions registered in the SEPS, this indicator delimits the scope of action of this research work which has the purpose of presenting a model for social balance evaluation through the creation, application and validation of dimension indicators to determine the impact of the Associative sector of Social and Solidarity-based Economy.

In fact, the Social Balance must meet various requirements which allow to identify the welfare or the need to generate actions aimed to promote the social sphere, either in business or for this research work, the analysis is addressed to the associative sector of Social and Solidarity-based Economy.

Methodology

The indicative, deductive and analytic method was applied through the analysis of methodologies proposed by nonprofit organizations structured under a system of indicators that have been applied in practice both locally and internationally, considering the greater relevance of applicability and viability to the reality of the associative sector in Ecuador.

Within the methodological process adopted and adapted for the research, there are six (6) identified stages: 1) Analysis of the experience of the social balance model made by SEPS for the Cooperative and Financial sector and of the international models for nonprofit entities, 2) Determination

of macro dimensions and dimensions that allows to analyze Social Balance in the associative sector, 3) Identification of impact indicators with qualitative and quantitative characteristics, efficiency, efficacy and effectiveness and their corresponding definition, 4) Validation of the proposed indicators through an experts' analysis, 5) Development of the methodology for social balance evaluation, 6) Validation of the methodological proposal for social balance.

Results

1. For this research work, the methodologies were considered in the international context with the most similarity to the Ecuadorian reality and to the economic, social and solidarity-based sector. That first exercise allowed to identify some similarities that later were analyzed from different proposals mainly applied in for-profit and non-profit economic sectors.
2. For the determination of the macro dimensions and dimensions that directly influence the social balance in associations of Social and Solidarity-based Economy, it was made a critical analysis of the definition proposed by the SEPS. From the first analysis, it was identified the applicability in seven (7) macro dimensions and seventeen (17) dimensions; additionally, three (3) new dimensions were increased from the international experience (Gender Equity, Accountability, Economic Solidary-based Act) whose concepts were redefined in concordance with the associative reality.
3. The indicators were established according to the definition of the twenty (20) dimensions, having a first exercise with thirty-nine (39) indicators.
4. To validate the indicators, it was carried out an experts' analysis through the Delphi methodology, after the methodological processes and several consensuses, it was established the applicability of thirty (32) indicators. For purposes of indicators reduction, the dimensions were limited to sixteen (16) and six (6) macro dimensions.
5. The social balance evaluation has to promote a critical and descriptive analysis of the initial situation against the final situation (goal) of the association in the financial - social period and the annual management. The structure of data consolidation is done through a chart that allows to systematize the goals achieved in each indicator.
6. The validation of the proposal was made by the application in three (3) associations that provide food and cleaning services in the Zone 2 (Napo and Orellana provinces) due to it is considered the area of greater representativeness and contribution– to the local economy; the results were: Asomureto has an efficient social performance (77,22%), although Asopreschac (73,62%) and Asojochint (67,21%) have a normal social balance.

Limitations of the research

The proposal defines an applicability to the associative sector of provision of services within the framework of social and solidarity-based economy; for this purpose, the main economic and associative activities are taken into consideration: construction, tourism and artisanal, agricultural and industrial, textile manufacturing. The proposal considers currently the associative sector, consequently it is necessary for each economic sector to include new management indicators if necessary. As well, it will be interesting to analyze the Community sector and Social Economic Unit through the proposed methodology due to its purposes are not considered "non-profit, human beings over capital".

Conclusions

The methodology proposed for social balance evaluation in associations of social and solidarity-based economy in Ecuador meets the need of determining the level of endogenous development corresponding to the social and solidarity-based model under the principle of human beings over the capital. The design is friendly and easy to apply in any type of association by the competent authorities.

The research becomes considerably relevant both nationally and internationally, because the policies to foster entrepreneurs in the social and solidarity-based economy sector as a strategy to contribute to fight against poverty, as well as the generation of sources of work allow to differentiate and analyze the real impact of the economic and solidarity-based model.

The results obtained in the validation of the proposal demonstrate the pertinence of the findings, that is the basis to establish new perspectives of associative development that generate the different forms of organization guaranteed by the Social and Solidarity-based Economy Law.

Original Value

With the application of the proposed methodology, the original value of the investigation is supported by the obtained results which demonstrate the social balance of the associative sector of social and solidarity-based economy. The proposal serves as a model for the application among other similar organizations; currently, the associations have decided to include this methodology due to its easy application because it generates descriptive information which allows to establish improvement actions in those indicators categorized with urgent, immediate and continuity interventions.

KEYWORDS: Social Balance, Social and Solidarity-based Economy, Indicators, Dimension, Association.