



Second welfare: social wellbeing provided by companies

When it comes to social innovation, we often talk about bottom-up production – that is, the introduction of multiple peripheral centres in order to reinvent a service previously provided as part of a centralised, top-down process.

Welfare systems too are being subjected to this process of change, in which more actors in society play a role in planning the welfare of individuals. A floundering public welfare sector with rising costs due to a gradually ageing population and the ever-growing complexity of the environment – which is disrupting work and relationship balances that inevitably affect people's health and wellbeing – has led to the emergence of an alliance between private individuals in a bid to find mutually beneficial solutions. The family network has also modified its boundaries and the amount of time dedicated to mutual activities. Time and living space are often shifted out of the home for all family members, with more and more single-person families. In this situation, businesses become fundamental social innovation hubs, with the ability not only to improve the organisational wellbeing of their own employees but also to participate in the provision or financing of services. The traditional benefits system is growing to represent a system of renewal in the exchange between organisations and individuals. We hear more and more about "second welfare", a term coined in an investigative report in the *Corriere della Sera* in 2010 to mean a new generation of social policies developed outside the public sphere. According to Dario di Vico, second welfare could aim to add five GDP points of social expenditure to the 27 currently funded by the state welfare, interlinking the experiences of local authorities, foundations and businesses. In the years following the report, the term was gradually developed and is now used more and more in public debate. According to the latest information from the Italian Ministry of Labour,

out of 14,556 active contracts, 11,421 are expected to achieve productivity targets, 8,332 profitability targets, and 6,866 quality targets, while 1,944 are providing a participation plan and 4,764 corporate welfare measures (in October, this figure stood at 4,333). Social needs are a moving target in the face of changing aspirations, requirements, times and areas of satisfaction. A degree of agility is required in the response, without risking threatening the achieved universalism through excessive privatisation or delegation of responsibilities. From the point of view of companies, the advantage of introducing corporate welfare policies brings tax savings and remuneration. As reported in *Sole 24 Ore* earlier this month, for every 100 euros on the payroll, employees only take home about 50. With corporate welfare benefits, from the 100 euros allocated by the company, the employee can potentially get 120. This mutual advantage is possible in part thanks to the company's bargaining ability in relation to the individual and the detaxation of remuneration in services.

Over the last two years, there has been a significant increase in the number of welfare plans in companies. The main driving force was the modernization of the TUIR – the Income Tax Act – and the tax leverage introduced with the 2016 Stability Law and confirmed in 2017.

But what does corporate welfare actually mean? A recent survey conducted by Franca Maino and Roberto Rizza reveals that corporate welfare systems are concentrated in more traditional areas already provided for by collective bargaining (training and supplementary healthcare), and less widespread in other areas such as work-life balance (e.g. smart working), income support, complementary pension provision and long-term care. Research also shows that companies that network in a collective entity are more willing to pool resources and open up to innovative solutions when it comes to welfare services.

This development affects Esaote on two fronts:

- As an organisation that supports the wellbeing of its employees and regards second welfare systems as an efficiency management tool
- As an actor within a health system that is increasingly linked to private initiatives and new models of use

The history of Esaote is characterised by its ability to direct groups of companies in the acquisition of shared advantages, with the creation of districts.

Today, as well as being included in districts, we also cohabit a technology park that enables Esaote employees to experience the working environment in a mutually beneficial way with individuals from other companies. One of the first opportunities to be introduced was a Montessori nursery situated nearby.

In the next article dedicated to this section, we will discuss in detail the results of the Third Report on Second Welfare in Italy, presented in the last few days in Turin.

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