

First Seminar of Corporate Foundations by Giuseppe Paletta

On May 8th 2009 in Milan, the Aem Foundation organized the first seminar of Italian Corporate Foundations entitled: *Le fondazioni d'impresa: modelli organizzativi, ruolo istituzionale, valori* (Corporate Foundations: organizational models, their institutional roles and values). The seminar was held at the headquarters of the Aem Foundation. The Foundations that participated in the seminar were selected on the basis of their link with family corporations or with working companies, excluding only non-profit banking foundations.

Giuliano Zuccoli, chairman of the A2A spa Management Board, opened the seminar by stressing the need for growing companies to keep their connections to their neighboring territories and communities. Following these first remarks, Salvatore Carrubba (Sole 24 Ore, an Italian national daily business newspaper), Alberto Sciumè (Chairman of the Aem Foundation) and Gianmaria Martini (Bergamo University) made their presentations.

Carrubba pointed out the need for foundations not act as mere corporate spokespersons and described their real purpose in five points:

- 1- to build a corporate reputation, and to critically examine the relationship between the behavior of a company and its core values;
- 2- to protect and enhance the company's historical patrimony, not only as an opportunity for cultural marketing, but as an identity resource for the *stakeholders* present in the territory;
- 3- to analyze the evolution of the company's product field with the detachment of those who work in the medium term and who are not obliged to make operational decisions in the short term;
- 4- to face issues regarding corporate social responsibility, thus avoiding "deceiving the interlocutors" and focusing attention those who work in the company;
- 5- to contribute to a new *welfare* model while being aware of the *welfare state* crisis, paying greater attention to the subsidiarity principle.

In contrast, Alberto Sciumè's presentation started from the causes of the difficulty in establishing roots of Foundations in Italy, due to unfavorable norms and fiscal conditions arising from the suspicious attitude of the State that claims for itself the protection of public interests.

Nevertheless, the setting up of corporate foundations, starting with Aem, shows that companies recognize the existence of certain intangible values and are willing to protect them through the creation of a new juridical institution. This generates a dialectic “detachment and connection” between the two poles: on the one side is the connection; namely, in the declaration of core identifying values in the business organization; on the other side is the acceptance of detachment as a necessary condition so that the company identity develops along with the recognition and the sharing in the communities of the territory. Hence, the importance of the cultural legacy that enables people to recognize themselves in pictures, documents and manufactured products, and to associate their own lives to the life of the company through positive interaction between personal and impersonal data.

Finally, the company’s link to the territory makes it necessary to recognize and highlight local needs, mitigating the traditional separation between profit and non-profit foundations.

Gianmaria Martini focused on the data regarding the ongoing economical crisis and on its effect in the medium term leading to the impoverishment of the corporate patrimony that represents the strength of the Italian economic system. Then he spoke about the bonding role that corporate foundations can exert on the territory of subsidiarity, in particular where the company works in imperfect markets gaining advantage from the presence of privileged license systems.

Martini also believes that the task of identifying external and internal stakeholders is fundamental. Internal stakeholders are particularly important as they are daily brought to share in the values and the choices of the company. It follows that the company has to concentrate on the centrality of the person and on an opportunity: economic competition can be seen not only as “Darwinian selection” but also as the “construction of horizontal and vertical networks” with a cooperative nature.

Through the presentations of the foundations, the seminar allowed participants to confirm the many different operational models, the different levels of autonomy of the company and the wide range of ways to interpret corporate aims. At the end of the meeting, the participating foundations agreed to develop further comparison by organizing other study sessions for the themes highlighted during the seminar.