



(New, rural) business models, their mechanisms and impacts

BM name	Territorial employment partnerships (TEPs)
Type	Territorial development
Sector	Services
Organisational scale	Association
Short description	<p>The business model addresses the problems of employment and socio-economic development from a joint perspective between local public administrations, trade unions and employers. It builds on networks of actors that broaden the agenda of issues and initiatives addressed with public - private partnerships from employment issues within the areas of local, socio-economic development, ecology, social and technological innovation, immigration, inclusive and sustainable, or even the promotion of infrastructure development.</p> <p>Likewise, these partnerships imply multilevel governance, both from the perspective of different levels of government, and from the coordination between different political, private and mixed actors.</p>
Mechanism	<p>Partnerships seek to address socio-economic problems in a participatory way. It implies an improvement in the efficiency of resource use (by integrating the resources of different actors around common projects and objectives) and an institutional and interactive learning effect.</p> <p>The co-existence of peri-urban and urban areas in TEPs allows to take advantage of rural-urban synergies and to use the partnership to improve rural-urban interactions.</p>
Innovativeness	TEPs are innovative because they integrate public, economic and social agents, as well as those of civil society, to address employment problems, natural resource management, socio-economic development, etc. They do it with a participatory, inclusive and integral perspective.
Value creation	Mixed but more societal gains.
Customers, product/service, revenue streams and main cost items	<p>Customer(s): TEPs do not directly sell any products or services in the market. TEPs are partnerships that provide non-market services to all the entities being part of these partnerships, as well as to their members and to the citizens in general. They provide services to public institutions, private companies, workers, unemployed people, and entrepreneurs, active members of civil society, marginalized groups and citizens. TEPs are promoting new business initiatives, and these business initiatives are selling products or services on the market. These include social enterprises in the form of organic farms and cooperatives. Clients are supportive consumers, consumers who value short marketing chains and organic products, etc.</p> <p>Product(s)/service(s): Employment opportunities, creation of new enterprises, improved use of endogenous resources, improvement in business competitiveness and contribution to the territorial change towards a more inclusive, participative and egalitarian social model.</p> <p>Revenue stream(s): Employment generation, wage improvements, business profits, tax revenues, improved efficiency in public spending and in both public and private investments.</p> <p>Main cost items: Personnel costs (labour costs), buildings and other material costs, costs associated to participation (transport, time, etc.).</p>



<p>Societal impact</p>	<p>Beneficial (e.g. energy transition, new jobs, empowering women to do business):</p> <ul style="list-style-type: none"> • New jobs, institutional learning and strengthen of rural–urban linkages. • Territorial cooperation and rural-urban development • Inclusiveness and participation (focus on people at risk of exclusion, women, immigrants, etc.) <p>Negative (e.g. pollution, spoiling the landscape, over-exploiting natural resources):</p> <ul style="list-style-type: none"> • Over-exploiting human resources, which is due to insufficient resources to carry out the activities assigned to the partnership. This problem is because an increasing number of activities, even in cases where they don't have the required financial resources. • Possible tensions between local public administrations and actors of the TEP. These tensions are due to the different financial effort made in the activities of the TEPs, which is much greater among local public actors.
<p>Rural-urban synergies</p>	<p>The diversity of actors, representing different needs and goals, leads to the development of initiatives that try to provide coordinated responses to rural and urban spaces, thereby favouring the improvement of mutual knowledge, as well as the development of a joint and integrated perspective. For instance, it can contribute to local entrepreneurship and business development, through the development of new forms of social innovation (e.g. by developing social entrepreneurship, training and employment in organic farming aimed especially at people at risk of social exclusion).</p>
<p>Connections with labour market and employment effects</p>	<p>TEPs allow addressing the employment challenge in a more professional, consensual and inclusive way. TEPs redefine home-workplace travel, and they contribute to shaping wider local rural-urban labour markets.</p> <p>Job generation in entrepreneurship, job placement and local development. This is because action in these areas of work on a larger territorial scale is positive. This makes it possible to carry out the actions with more specialized personnel.</p> <p>TEPs favour the creation of employment in the territories through a double route: First, each TEP designs and implements projects aimed at improving the employment situation in its territory (business revitalisation, social economy initiatives, job orientation and labour integration, etc.). Second, they directly create jobs of a technical nature – local employment technicians, local economic promotion technicians, local development technicians. These are specialized personnel who are incorporated into the TEP, which make it possible to address socio-economic and employment problems in a professional way. In turn, these projects are defined at an appropriate territorial scale (local labour markets), so that the problem of territorial fragmentation is overcome.</p>
<p>Enabling factors</p>	<ul style="list-style-type: none"> • Political leadership of the most important public actors represented in the partnerships • Creation of competent management teams • Involvement of partnerships in cross-sectoral initiatives • Increasing cooperation between rural and urban partnerships. Progress is being made in terms of coordination between TEPs whose territories are functionally connected, generally territories with different degrees of rurality
<p>Limiting factors</p>	<ul style="list-style-type: none"> • Local (municipal) public actors work in isolation. • Lack of territorial involvement of some key economic and social agents (mainly business associations) • Limited self-financing capacity and dependence on external funding • Insufficient autonomy to define the partnership agenda • Tensions within and between stakeholders



Key partners and actors directly involved	Individual businesses and business associations Trade unions Civil society (Local) government
Role of (local) government	Initiator Financial support/financially responsible
Connections with the institutional / policy environment	The regional government is key in supporting and promoting this kind of initiatives. However, a low sensitivity of the regional government towards these initiatives may limit their development. In turn, over the last few decades the European Union institutions have encouraged the development of participatory policies at territorial level (preferably at the local labour markets level) in the socio-economic field. This European impulse is fundamental in the emergence and first stages of the TEPs two decades ago. On the other hand, the more dynamic TEPs put pressure on the regional government to continue to support existing TEPs and to encourage the development of new ones.
Internal/network governance arrangements	Governance arrangements are expressed in the following three areas: a) relations between actors in the framework of a specific territorial partnership; b) internal relations of each actor participating in the partnership; c) relations between partners from different territories. Creation of formal institutional structures on a territorial scale, which are linked to different types of partnerships and collective organizations. Processes of institutionalization of networks of informal relations between technical personnel linked to local development, including virtual platforms. Generation of online relationship mechanisms within each TEP, as well as between TEPs in the same region. These virtual mechanisms are accompanied by other coordination channels at the two levels indicated (i.e. internally to each TEP and between different TEPs in the region).
A typical example	In general, the territorial employment pacts (TEPs) in the Valencian Country. Typical examples are the cases of València Activa (located in the city of València) and the Pactem Nord Employment Consortium (in the periurban area).
BM references	https://www.pactemcv.es/ http://valenciactiva.valencia.es/ http://www.consorci.info/
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