



MONDRAGON

HUMANITY  
AT WORK

Finanzas  
Industria  
Distribución  
Conocimiento

**MONDRAGON**  
corporation

# Humanityatwork



01. Who **we** are
02. The **start**
03. Our **essence**
04. The **keys**
05. Structure: **People** and **Employment**
06. **Highlights**
07. **National** and **internacional** presence
08. Our main **brands**
09. Committed to **the future**
10. Business **policy**



# 01 Who we are

- **THE BIGGEST BUSINESS GROUP** IN THE BASQUE COUNTRY
- **10th IN THE RANKING OF SPANISH COMPANIES.**
- **WORLDWIDE BENCHMARK IN WORK IN CO-OPERATION:**  
74,000 PEOPLE SHARING A BUSINESS IDEA



# 01 Who we are

- **A VERY DIVERSIFIED GROUP:**  
257 COMPANIES AND ENTITIES OPERATING IN 4 ÁREAS:  
FINANCIAL, INDUSTRIAL, RETAIL AND KNOWLEDGE
- **PRESENT IN THE 5 CONTINENTS:**  
WITH 122 PRODUCTION PLANTS AND 9 CORPORATE OFFICES
- **WITH TECHNOLOGICAL INNOVATION AND INTEGRATION AS THE DRIVING FORCES BEHIND ITS DEVELOPMENT**  
15 RESEARCH AND DEVELOPMENT CENTRES OF ITS OWN;  
467 INVENTION PATENT FAMILIES





# 01 Who we are

- **COMMITTED TO SOCIETY AND THE COMMUNITY**

SOLIDARITY AND SOCIAL RESPONSIBILITY WITH THE COMMUNITY AS AN  
ESSENTIAL PART OF THE CORPORATION'S IDENTIFYING FEATURES



# 02 The start

- 1956 Father José María Arizmendiarieta was blessing the **foundation stone of ULGOR**.
- 1957 Ministry Education and Science **official recognition** of “Escuela Profesional”.
- 1958 At the end of the year, by order of the Ministry of Labour, members of cooperatives were excluded from the General Social Security System. It was decisive in setting in motion the actions to create what is today **Lagun Aro**, a Voluntary Mutual Benefit Organisation
- 1959 Father José María Arizmendiarieta invented **Caja Laboral Popular**. What makes Caja Laboral different from the grassroots co-operatives is the **mixed composition of its social bodies**, based on both **worker-members** and representatives from the **associate co-operatives**

1960 **Fagor Arrasate** (transfer lines),.....

1963 In 1963 the following theory was put forward regarding **Democracy**: “Democracy is one of the rules of the game for the co-operative movement. Democracy has to be conceived as the method and procedure for **combining the interests of the individual with those of the group**... You have to **socialise knowledge** to be able to democratise power effectively”

1985- On 1st March the co-operatives' Group Council was set up, which was the historical embryo of **Mondragon Corporación Cooperativa**, what is now **MONDRAGON**.

1987- At the **1st Congress of the Mondragon** Co-operative Group the **Basic Principles** of the Co-operative Experience were approved together with the bases for setting up the Inter-co-operative **Solidarity Funds**.



## KNOWLEDGE

VOCATIONAL TRAINING  
CENTRE TO  
DEMOCRATISE ACCESS  
TO QUALIFICATIONS

1943



## INITIATIVE

STARTS THE  
CO-OPERATIVE  
EXPERIENCE

1956



## EVOLUTION

COMPLEMENTS THE  
STRUCTURE CREATING  
AND INTEGRATING  
NEW CO-OPERATIVE  
ENTERPRISES

1960



## DEVELOPMENT

CONSOLIDATION AND  
INTERNATIONAL  
EXPANSION

1991



# 03 Our **essence** mission

We are a socio-economic reality of a business nature

- With deep cultural roots in the Basque Country
- **Created by and for people**
- Inspired by the **Basic Principles of our Co-operative Experience**
- Committed to the community, competitive improvement and customer satisfaction, to **generate wealth in society, through business development and job creation**



# 04 The **keys**

corporate values



## **CO-OPERATION**

Owners and protagonists

## **PARTICIPATION**

Commitment to management

## **SOCIAL RESPONSIBILITY**

Distribution of wealth based on solidarity, and involvement in the community

## **INNOVATION**

Constant renewal



# 04 The keys

## our principles



### OPEN

The MONDRAGON co-operative experience is open to all men and women who accept these **Basic Principles** without any type of discrimination.

### DEMOCRATIC

The basic equality of worker-members in terms of their rights to be, possess and know, which implies acceptance of a democratically organised company based on the **sovereignty of the General Assembly, electing governing bodies and collaborating with managerial bodies.**

### SOVEREIGNTY

Labour is the main factor for transforming nature, society and human beings themselves. As a result, the systematic recruitment of salaried workers has been abandoned, **full sovereignty is attached to labour**, the wealth created is distributed in terms of the labour provided and there is a will to extend the job options available to all members of society.

# 04 The keys

## our principles



### INSTRUMENTAL

**Capital** is considered to be an **instrument subordinate to labour**, which is necessary for business development. Therefore it is understood to be worthy of fair and suitable remuneration, which is limited and not directly linked to the profits obtained, and availability subordinate to the continuity and development of the co-operative.

### PARTICIPATORY

The steady development of **self-management** and, consequently, of member participation in the area of company management which, in turn, requires the development of **adequate mechanisms for participation, transparent information, consultation and negotiation**, the application of training plans and internal promotion.

### PAYMENT

**Sufficient and fair pay for work** as a basic principle of its management, based on the permanent vocation for sufficient collective social promotion **in accordance with the real possibilities the co-operative** has, and fair on an internal, external and MCC level.

# 04 The **keys**

## our principles



### **INTER-COOPERATION**

As the specific application of **solidarity** and as a requirement for **business efficiency**, the Principle of Inter-cooperation should be evident: between **individual co-operatives**, **between subgroups** and **between the Mondragon co-operative** experience and Basque co-operative organisations, and co-operative movements in Spain, Europe and the rest of the world.

### **SOCIAL**

The willingness to ensure **fair social transformation** with other peoples by being involved in an **expansion process that helps towards their economic and social reconstruction** and with the construction of a freer, fairer and more caring Basque society.

### **UNIVERSALITY**

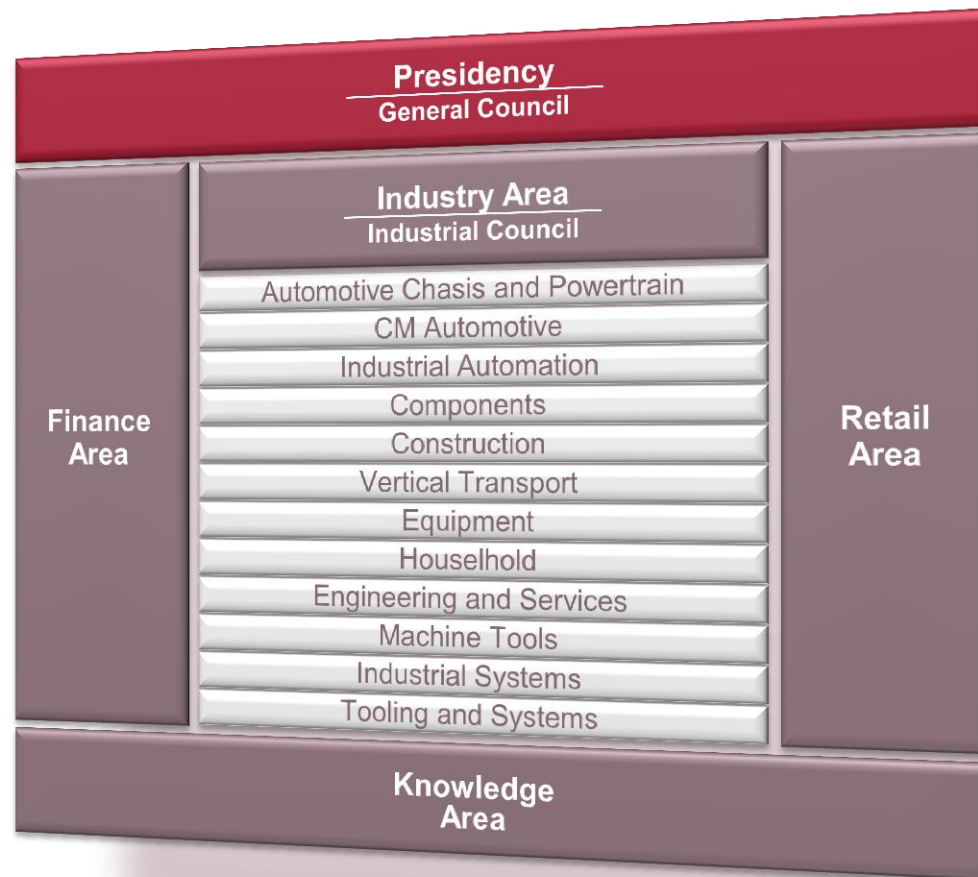
Its solidarity with all those who work for economic democracy in the area of the Social Economy by adopting the objectives of **Peace, Justice and Development** which are inherent to the International Co-operative Movement.

### **EDUCATION**

To promote the establishment of the principles stated above, it is essential to set aside sufficient human and financial resources **for co-operative, professional and youth education**.



# 05 Our organisation

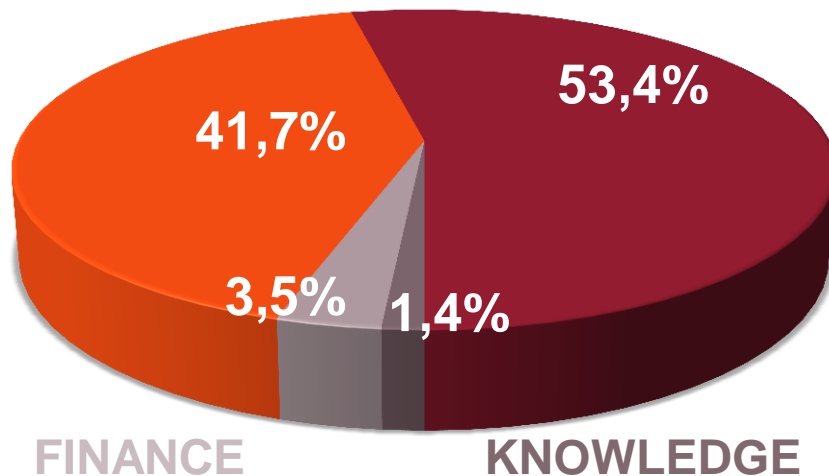


# 05 Prioritising people & employment

DISTRIBUTION OF EMPLOYMENT BY AREAS

INDUSTRY

RETAIL

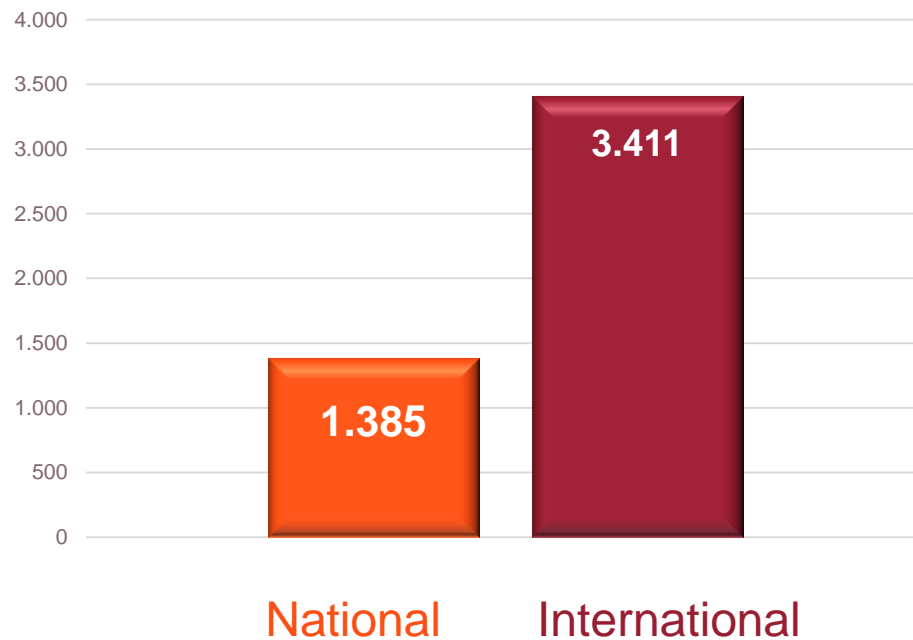


**74.060**

jobs in average  
in 2013



# 06 With a consolidated project

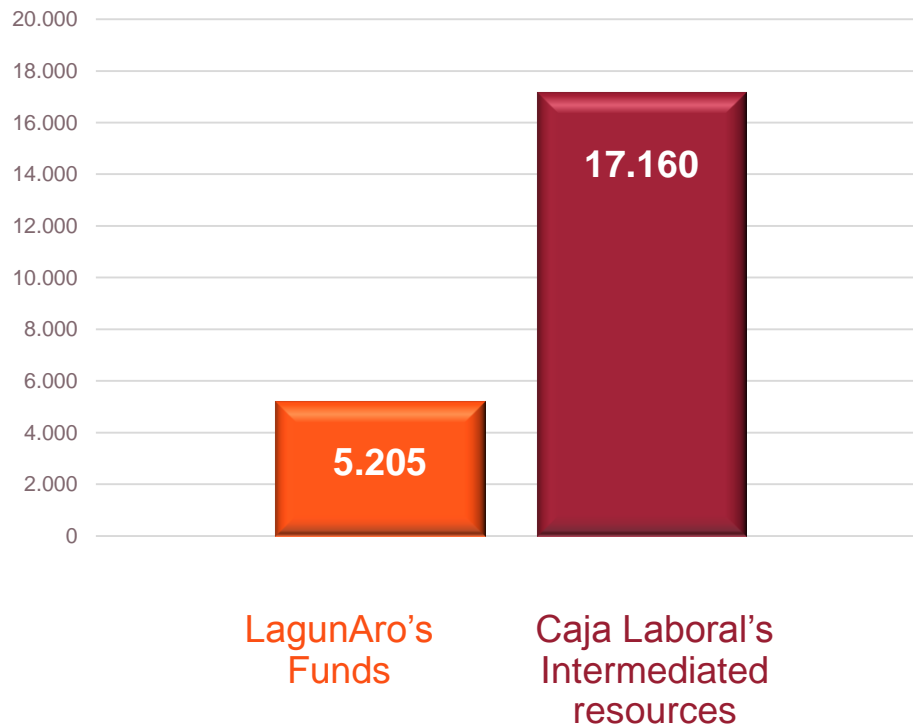


**INDUSTRY AREA**  
TOTAL SALES  
**€4,796** millions

Data in millions of €



# 06 With a consolidated project

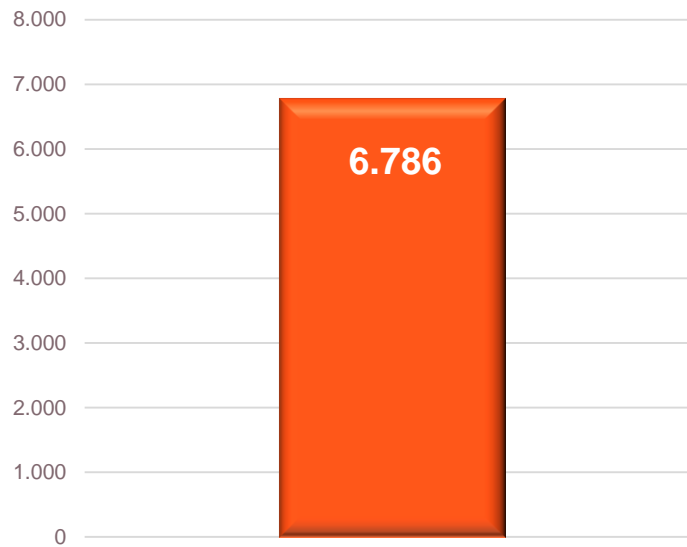


Seguros Lagun Aro

**362.000 customers**

Data in millions of €

# 06 With a consolidated project



**Total Sales**

**RETAIL AREA**

TOTAL SALES:

**€6,786** millions

Data in millions of €

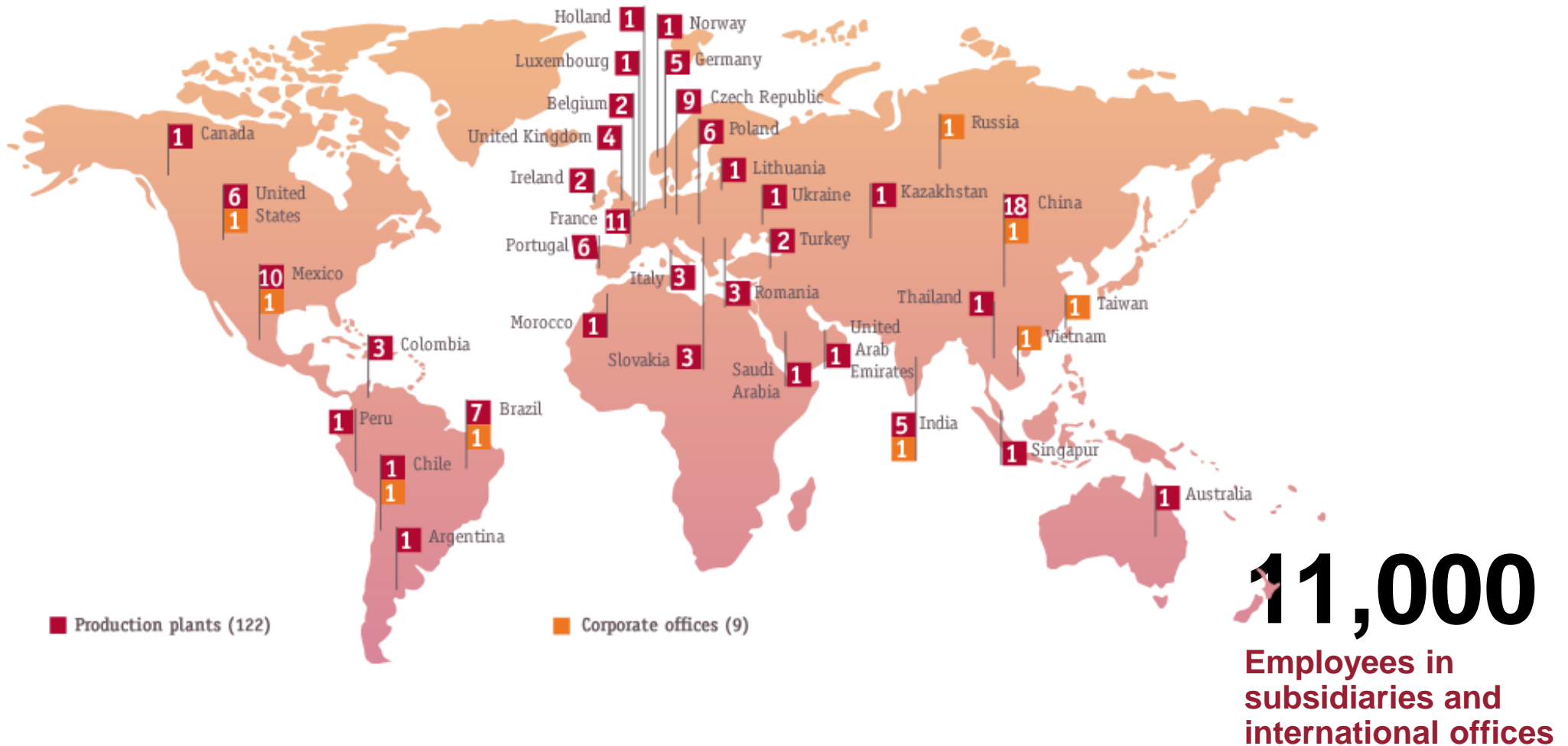
# 07 Integrated in every community





# 07 On the global stage

## NATIONAL AND INTERNATIONAL PRESENCE



08 With leading brands

ULMA  
Fagor MONDRAGON UNIBERTSITATEA Orbea  
IKERLAN Lagun Aro Eroski Orkli  
KIDE Orona DANOBAT GROUP MAIER  
Ondoan LKS Laboral Kutxa  
URSSA COPRECI



# 09 Committed to the future



- **Our commitment to innovation:**

- 136 million euros invested in 2013.
- The Industry Area earmarked a budget of 8,4% of the added value to R&D.
- In the Industry Area, 628 million euros in products and services that did not exist five years ago.

- **Strengthening international development:**

New production plants opened in 2013 and a consolidated international presence, with over 11,000 employees working in our 122 subsidiaries

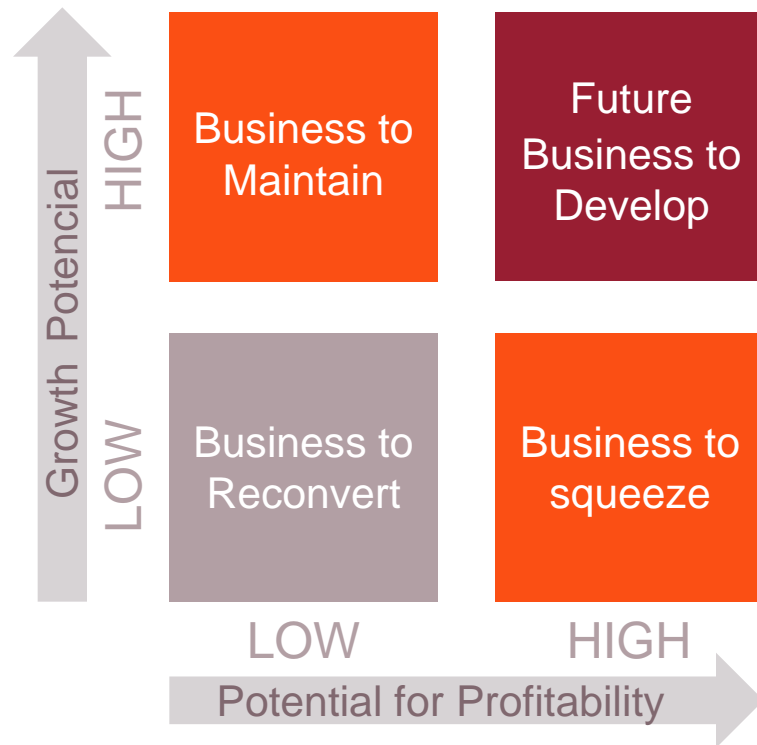
- **Maintaining the values that make the Corporation stand out as the driving force behind our development.**

COOPERATION + PARTICIPATION + SOCIAL RESPONSIBILITY + INNOVATION



# 10 Business Policy

The challenge: Transforming the business fabric



- improve the competitive positioning of the businesses, reinforce people's cooperative identity and commitment
- continue to be a group with viable and sustainable businesses
- with a view to generating value added employment.

# 10 Business Policy

What other changes/adjustments will this challenge involve?

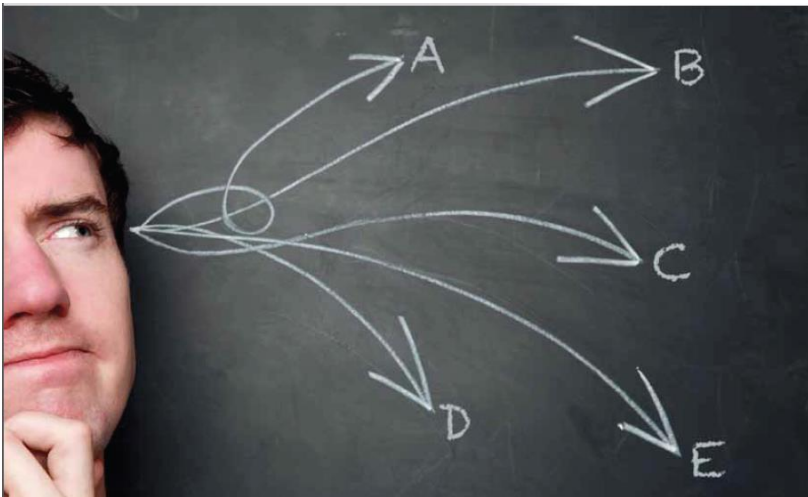


- Tailoring the sizing of the businesses to the global market, focusing on emerging markets, considering new strategic alliances.
- Re-aligning those businesses with less growth potential.
- Firmly committing to the development of integral cooperative projects.

# 10 Business Policy

## 5 Strategies

- A** **B** **Dimensioning** and **internationalisation**, for appropriate and competitive sizing in a global market.
- C** **Innovation**, which together with Development and Knowledge should pave the way for the permanent review of our business models and the promotion of operations in the sectors of the future.
- D** **Intercooperation**, between cooperatives and with outside partners in order to maximise market opportunities and provide comprehensive solutions and value added services.
- E** **Cooperative Identity and Commitment**, reinforcing the hallmarks of cooperativism, as expressed through attitudes and conduct that are consistent with our Values and Principles and our Management Mode.



# 10 Business Policy

## Internationalisation. The myths

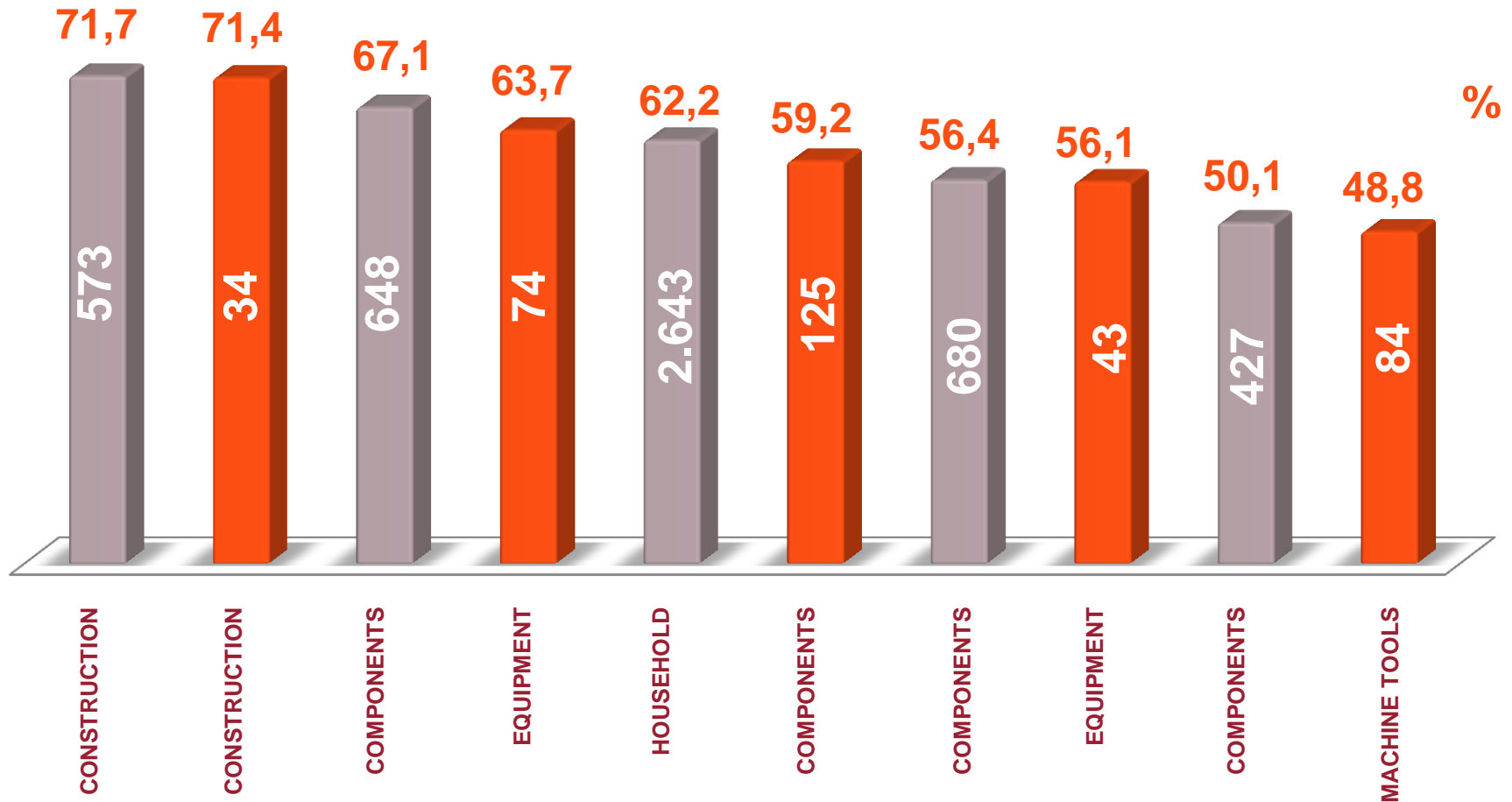
Multilocalization 2005 – 2010 related with 1990 - 1995

INDICATOR	LOCAL COMPANIES	GLOBAL COMPANIES	
		Parent Company in Spain	Total Consolidated
Total Sales Multiplier	x2	x3	x5
Net Income Multiplier	x4	x14	x15
Change in the Value Added relative to the initial five-year period	+80%	+140%	+300%
Employment situation relative to the initial five-year period	-11%	+25 %	+170 %

# 10 Business Policy

## Internationalisation. The myths

SMEs can not internationalize. 2012





# 10 Business Policy

## Internationalisation

### Mondragon Global Services

More than **150 senior consulting experts** in **9 international offices**.

MONDRAGON Global Services combines the actual practical experience gained over **more than 100 international projects** with a deep knowledge of the industry at a global level.

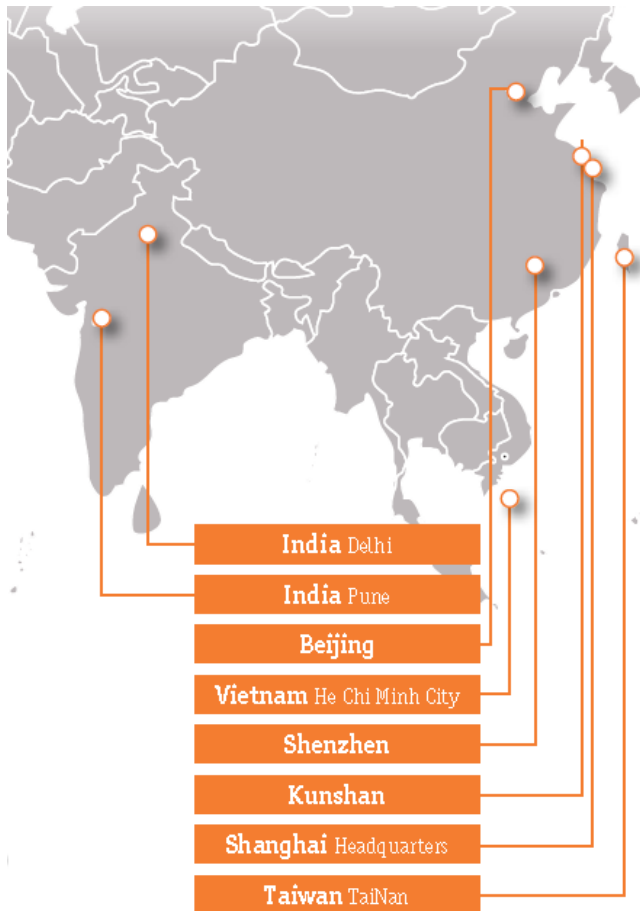
## Solutions

1	2	3	4	5	6
Country, market, sector and strategy	Country entry analysis	Personnel recruitment and management	Marketing and distribution strategies	Tax and financial advice	Corporate diplomacy
<ul style="list-style-type: none"><li>Strategic studies.</li><li>Identification of investment opportunities.</li><li>Business feasibility analysis.</li><li>Market development follow-up.</li></ul>	<ul style="list-style-type: none"><li>Location of investment comparative analysis.</li><li>Business entry and registration model analysis.</li><li>Partner search.</li><li>Definition, analysis and choice of investment criteria.</li><li>Direct investment in self-owned industrial facilities.</li><li>Support to company set-up or restructuring.</li></ul>	<ul style="list-style-type: none"><li>Search and identification of adequate candidates.</li><li>Recruitment support, advice and management.</li><li>Counseling on the selection and return of the expatriate.</li></ul>	<ul style="list-style-type: none"><li>Intellectual and industrial property registration.</li><li>Selection of dealers, business agents and representatives.</li><li>Search and development of business alliances.</li><li>Prospective trip assistance.</li><li>Business Centre platform.</li></ul>	<ul style="list-style-type: none"><li>Information on financial aid in international markets.</li><li>Business restructuring processes.</li><li>Taxes and accounting.</li><li>Due diligence.</li><li>Participation in Boards of Directors and Steering Committees.</li></ul>	<ul style="list-style-type: none"><li>Institutional relations and corporate diplomacy.</li></ul> <p><b>Plus...</b></p> <ul style="list-style-type: none"><li>Comprehensive procurement management in low-cost countries: Asia sourcing.</li><li>Building up cooperatives for social economy in developing countries.</li></ul>

# 10 Business Policy

## Internationalisation

### Asia Sourcing



# 10 Business Policy

## Innovation

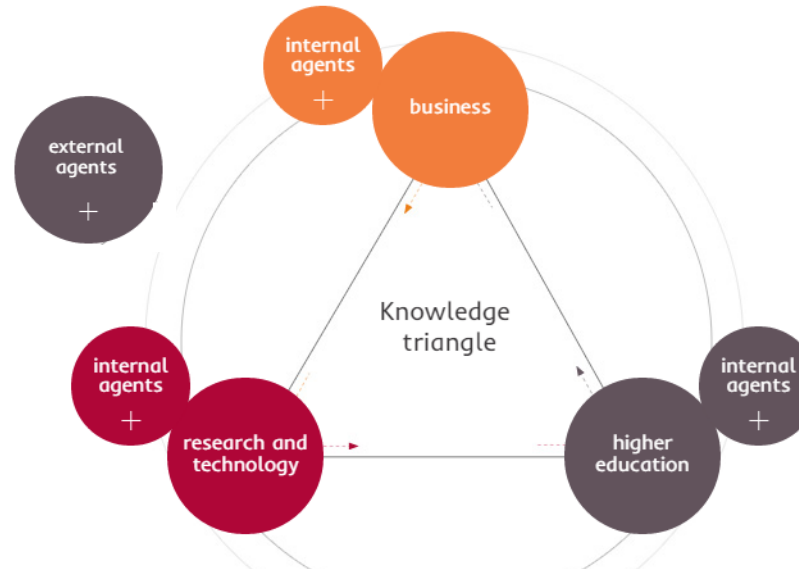


M4FUTURE

The model encourages participation and relationships between the agents involved in different areas, applying the **three sides of the triangle of knowledge: Business, Research and Technology and Higher Education**

### BUSINESS INTERNAL AGENTS:

MONDRAGON incorporates within its organisation cooperatives and companies with a presence in the industrial, financial and distribution sectors, with commercial and production offices around the world.



### RESEARCH AND TECHNOLOGY INTERNAL AGENTS:

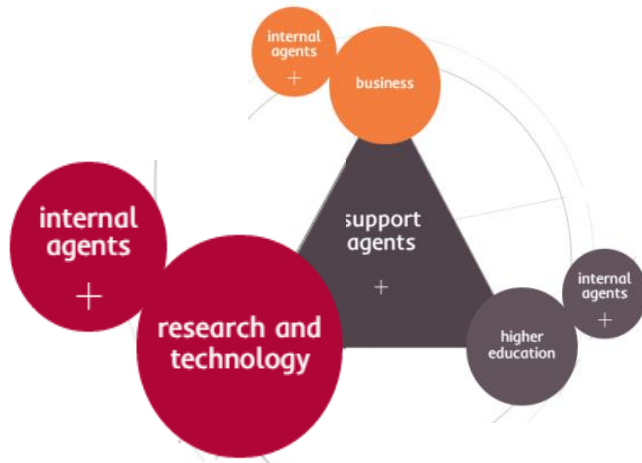
In addition to the resources invested by these cooperatives in technological development, MONDRAGON also has a network of business R&D units and technology centres that focus on research in fields that are strategic to the business sector.

### HIGHER EDUCATION INTERNAL AGENTS:

MONDRAGON has its own university and a Management and Corporate Development Centre. Both are characterised by the formal and continuous training they offer, which is always adapted to companies and institutions within an international context. Furthermore, the university carries out important research and dissemination activity.

# 10 Business Policy

## Innovation



### Technology Centers



### Business R&D Units

- AOTEK (Automation and Optical Technologies)
- CIDIA- (Functional Design. Automotive Sector)
- CIKATEK (Polimeric Materials)
- CENTRO STIRLING (Sustainable Energy for the Home)
- EDERTEK (Casting Processes)
- ETIC (Embedded Technologies)
- ISEA (Advanced Business Services)
- KONIKER- (Forming and Assembly Processes )
- LEARTIKER (Polymer Technology and Food Technology).
- MIK (Research into Business Management)
- MTC (Automotive Assemblies and Parts manufactured from Thermoplastics)
- ORONA EIC (Elevation)
- UPTC (Packaging Technologies)

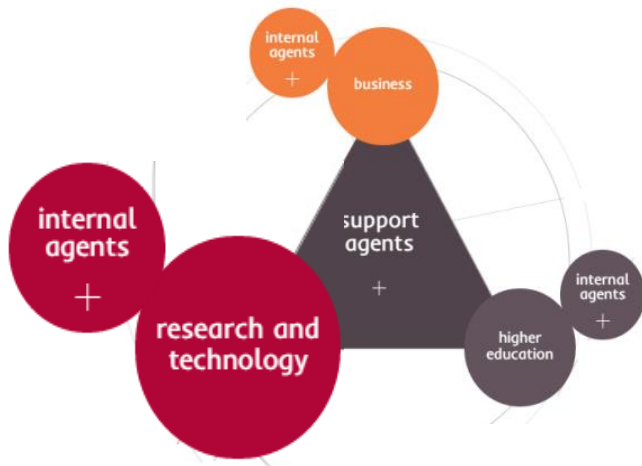
# 10 Business Policy

Innovation



IK4 is a private and independent alliance of R&D centres, a benchmark in the European R&D context. It comprises 9 organisations in the Basque Country:

**AZTERLAN, CEIT, CIDETEC, GAIKER, IDEKO, IKERLAN, LORTEK, TEKNIKER and VICOMTECH.**

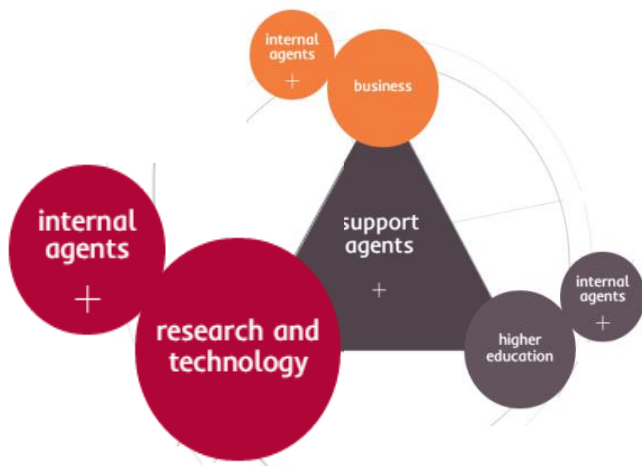


Biotechnology and Biomaterials	Energy
<ul style="list-style-type: none"><li>• <b>Microbiology, Genomics &amp; Proteomics and Molecular Biology.</b></li><li>• Main Services: Testing, Biosensors, Biomaterials, Surface Functionalisation, Bioelectrochemistry and Artificial Vision, Analysis of Biological Structures.</li></ul>	<b>Hydrogen and Fuel Cells, Wind and Solar Power, Distributed Generation, Energy Storage, Combustion and Biofuels.</b>
Environment & Recycling	Industrial Management and Production
<b>Water, Soil &amp; Sediments, Waste, Meteorology &amp; Atmosphere and Sustainability &amp; Environmental Management.</b>	<b>Improve design, product development &amp; manufacturing processes.</b>



# 10 Business Policy

Innovation



## Information and Communication Technologies (ICTs)

Vision, sensorics and actuation, computer graphics and visualization technologies, semantics and multimedia management, audiovisual production.

## Materials and Processes

Thermo-mechanical Treatments. Materials & Processes Mechanics and Modelling, Thermoplastics, Thermosets, Development and Application of Coatings and Thin Films

## Mechatronics

Precision Engineering, Development of Advanced Mecatronic Products, System Regulation, Control & Simulation, Noise & Vibration, Opto-electronic Sensors, Power Electronics & Automation, High-Performance Buses, Wireless Communications

## Micro and Nanotechnologies

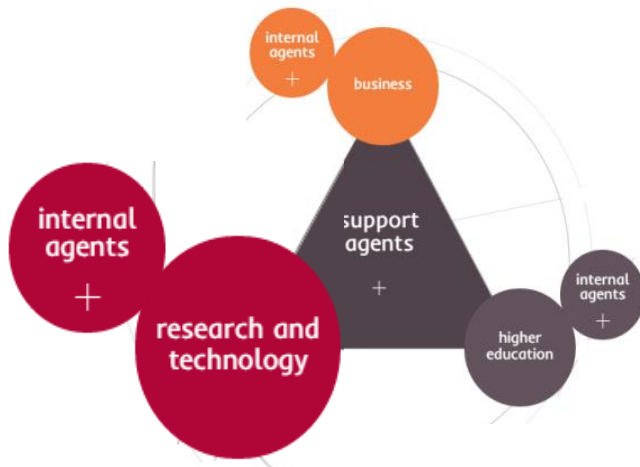
Micro-nanodevices, Micro-nanoengineering, Nanomaterials and Nanocoatings.

# 10 Business Policy

Innovation



Since its creation, IK4 has grown exponentially with respect to income, skilled staff recruitment, patent generation and agreements with private bodies of international scope.



- **Staff:** 1,310 people (26% Doctors)
- **Annual R&D&I income** (2013): 105 M€
- **European Community Repayment** (Seventh Framework Programme ): 90 M€
- **Leading** 76 of the 225 European projects in which it is involved.
- **Technology centres:** 9
- **Private clients:** 850 companies
- **Patents under way:** 148

# 10 Business Policy

## Innovation



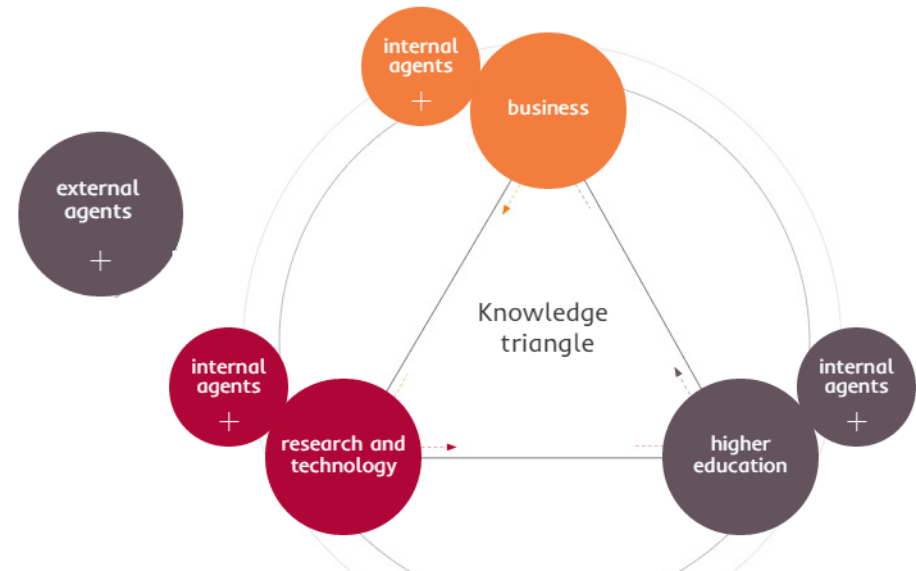
### EXTERNAL AGENTS

Through surveillance and collaboration with complementary organizations and entities the Corporation obtains knowledge and resources needed to develop corporate strategic areas.

To perform the activities outlined above, we have a technological monitoring and competitive intelligence action plan that includes the participation and involvement of **customers and suppliers**, and that provides us with relevant information about the environment and current trends.

This helps us to identify areas of strategic interest that can be used to launch value added projects in collaboration with our network of external agents (**companies, research centres and universities**).

Furthermore, MONDRAGON also collaborates with **Public Institutions, Investors and Regulating Bodies** to obtain the resources necessary to develop its Innovation Strategy.



# 10 Business Policy

## Innovation

### External relationships

#### European associations



#### Research agents



#### Technology platforms



#### Clusters



# 10 Business Policy

## Innovation

### Steering and Empowerment Cycle

The Steering and Empowerment Cycle aims to **focus, guide and train** all agents in the system to achieve the **optimum performance of initiatives undertaken in the field of innovation**.

P1.- Defining the Innovation Strategy, P2.- Development of Key Technologies and Infrastructures, P3.- Boost Open Innovation, P4.- Development of a Culture of Innovation and Entrepreneurship

### Innovation Cycle

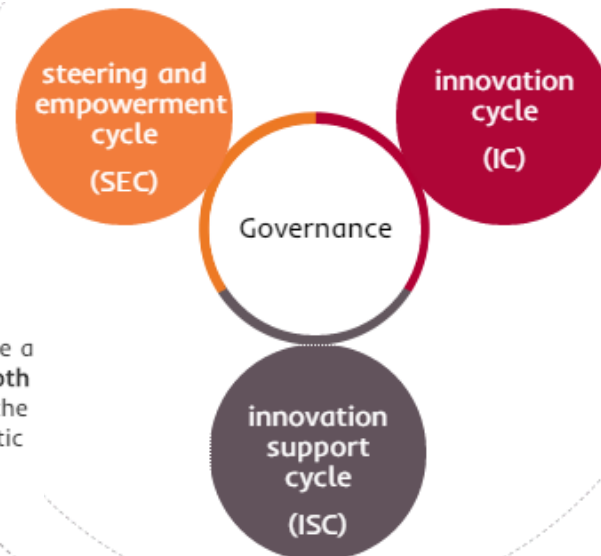
The Innovation Cycle focuses on **developing complete, interdivisional projects in strategic sectors** to promote innovative proposals that are successful in the market.

P5.- Analysis of Idea-Project Viability, P6.- Development of Innovation Projects, P7.- Commercialisation. Valuation, P8.- Evaluation, Dissemination and Training

### Innovation Support Cycle

The Innovation Support Cycle aims to provide a set of **support mechanisms** for the Model, **both methodological and economic**, to facilitate the development of the SEC and IC in a systematic and continuous way.

S1.- Public and Private Financing, S2.- Marketing Innovation, S3.- Institutional Relationships



## Innovation model

M4FUTURE is a comprehensive corporate system for **innovation, promotion and knowledge** that consistently updates business models and promotes new activities in future sectors.

This **process management model** was developed to optimise work methods and encourage **collaboration between agents, researchers and companies**.



# 10 Business Policy

## Innovation

## Strategic areas

Each strategic area focuses corporate business activity around these future sectors. Continuous work on research and innovation helps us to develop new products, services and business models in different strategic segments.

## R&D+i Figures. 2013

Total R&D costs	% of total R&D spending over total sales	% of total R&D spending over added value
€ 136 m	2.85%	8.48%
Total number of patent families valid at year end	Sales of new products/services (inexistent 5 years ago)	
467	€ 628 m	



# 10 Business Policy

## Intercooperation between cooperatives

### Some Rules

- **Relocation** of staff among cooperatives.
- **Restructuring results** (from the gross profits).
  - Within the sectorial groups (>15% - <40%)
  - Within corporative funds in MONDRAGON (Investment Fund 10%) (Education Fund 2%) (Solidarity Fund 2% for compensation in case of losses).
- **Solidarity in profit distribution** (net profit of each coop)
  - 10% Fund of Education (Law 10%)
  - 45% Fund of Reserve of Co-op (Law 20%)
  - 45% Returns to workers → Capitalize → Interest <7,5% in cash
- **Solidarity in compensation**
- **Reporting of data** to MONDRAGON Headquarters.
- **Not internal competition** between coops within MONDRAGON

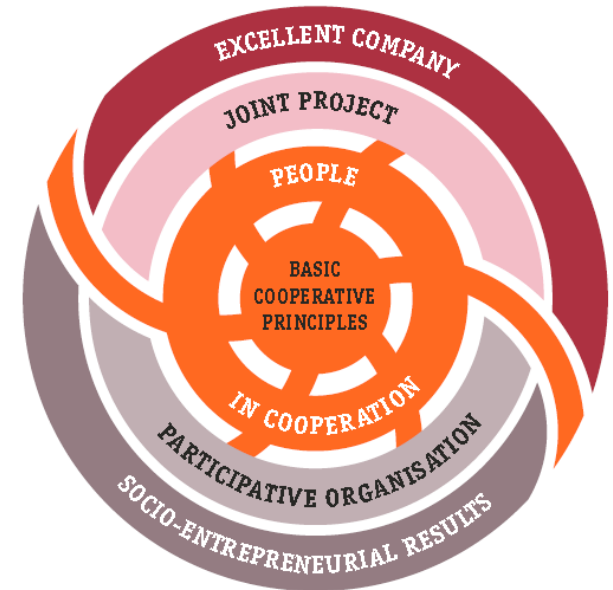
# 10 Business Policy

## Cooperative Identity and Commitment

### Why do we need a Corporate Management Model?

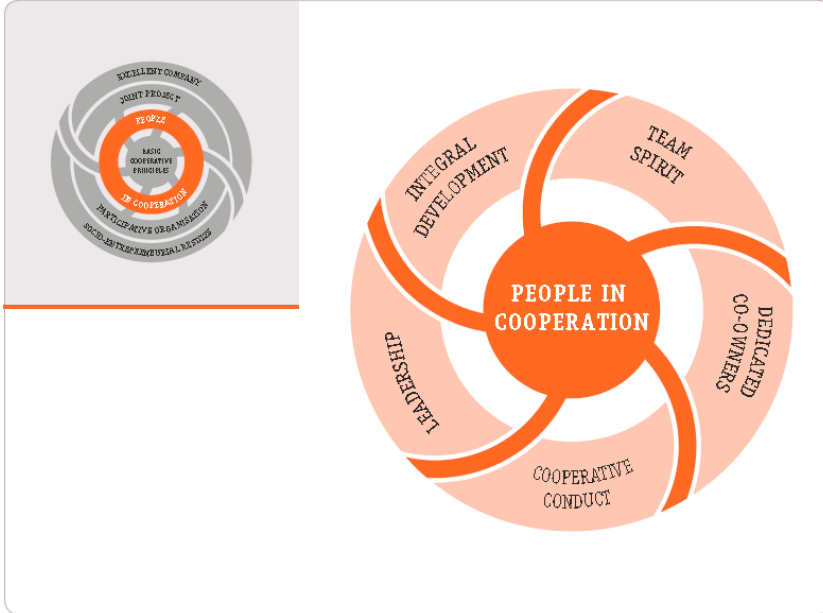
- To foster the development of **business management dynamics consistent with the Basic Cooperative Principles**.
- To help increase the **business competitiveness** of the Cooperatives.
- To make our **cooperative management style a mark of identity** that generates a **feeling of belonging**, paving the way for **intercooperation** and helping to **optimise synergies at corporate level**.

The Corporate Management Model (CMM) can be explained by means of a **constantly rotating circular graphic**, which aims to express the **interrelation between the different concepts** it brings together and the **dynamism required** for it to be put into practice and continually adapted.



# 10 Business Policy

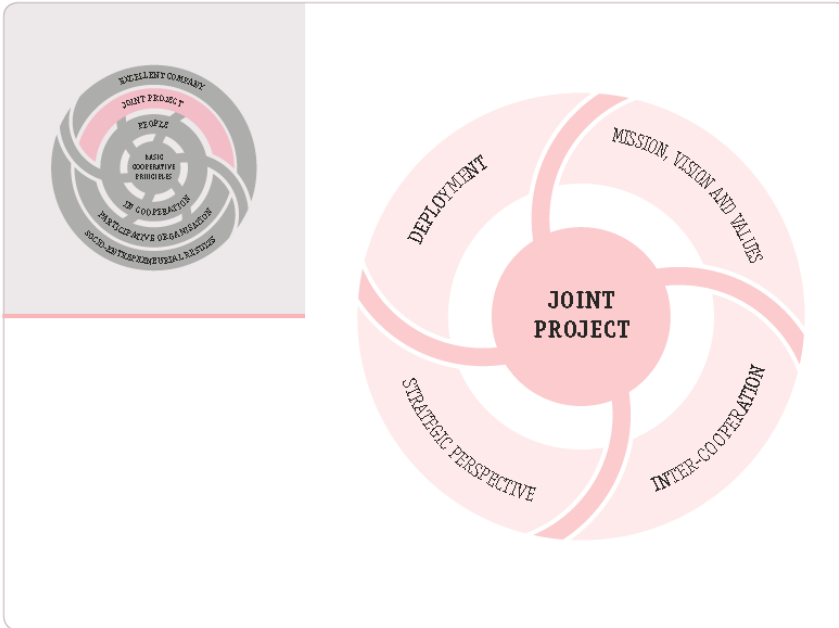
## Cooperative Identity and Commitment



People are the **main protagonists** of the Cooperative Management Model, yet they are **not looked upon as a passive element that needs to be satisfied, but rather as** working as a team, cooperating with each other, with a **Team Spirit** of belonging, **acting as enterprising business men and women**. In other words, they are **Dedicated Co-owners**, not only with cooperative ideas, but also with the **Cooperative Conduct** that upholds them, who exercise **Leadership** in their milieu, and who aspire to **Integral Development** through personal and professional growth.

# 10 Business Policy

## Cooperative Identity and Commitment



**The project is the common ground where people pursue cooperation.** Firstly, there is a need to share a **Mission**, a raison d'être, a **Vision**, a desirable future and shared **Values**.

Being part of a Division and of the Corporation permits the Cooperative to access guidelines, experiences and actions that it must exploit to the utmost, developing the possibilities provided by **Inter-cooperation**.

These items are required to define the **Strategic Perspective** that sets the medium-term course for the maximum exploitation of our strengths and opportunities.

There is a need to proceed with the **Deployment** of this overriding approach, on the one hand, by applying it to each area and thereby **ensuring that each individual and team perceives their contribution to the project**, and on the other hand, and in the short term, through the Annual Plan and its monthly monitoring.



# 10 Business Policy

## Cooperative Identity and Commitment



**The institutional bodies themselves provide us with the mechanisms for individual participation**, which we should optimise through **Corporate Development** both in the Cooperatives and in subsidiary companies.

Yet the way in which each person will truly be made to feel appreciated is through **Self-management**, which allows for goal-setting and decision-making in work teams.

It is impossible to fully engage people if they do not have access to the information they need and do not have mechanisms of **Communication** in all its senses and based mainly on interpersonal dealings.

# 10 Business Policy

## Cooperative Identity and Commitment



Although it is true that our cooperative status gives us clear advantages in the application of the most advanced management concepts, we should not take it for granted that these will be materialised, whereby we must **pay constant attention to the development of such aspects as:**

The **Customer Focus** of all those people who realise this is the precise target of the value created, and that the project has meaning solely insofar as this value is perceived.

The tweaking of **Processes** through their systematic management, guaranteeing the efficiency and effectiveness of our operations.

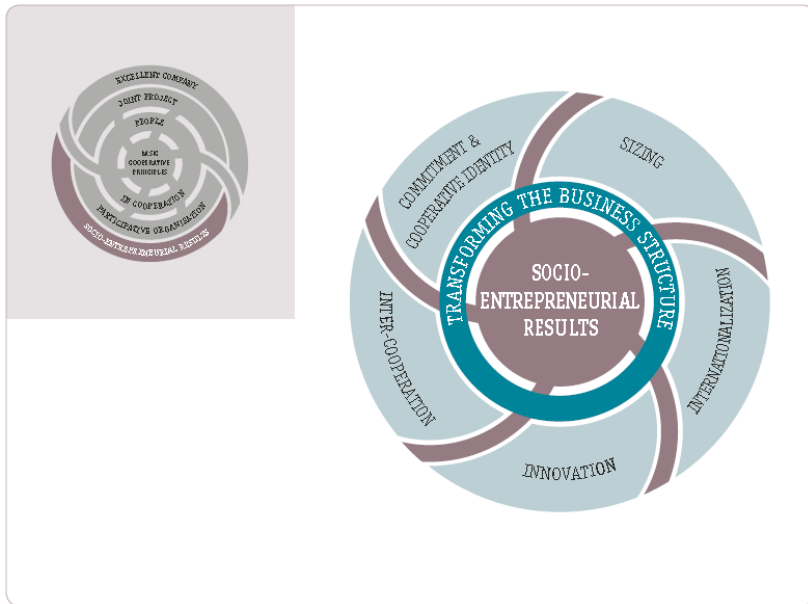
**Innovation** as a culture and operating strategy that allows for improvements to be made constantly to what we do, thereby increasing the value added perceived by the customer.

Within a context of extended company, of a network organisation, the Cooperative needs to forge **Partnerships** with other entities that go beyond the opportunities provided by inter-cooperation, to fine-tune the supply chain or address more integrated value proposals, and again render a better service to customers.

The Cooperative's dealings, and the repercussions its business has, are not limited to people, customers, suppliers and partners, but rather in one way or another they affect society at large. There is therefore a need of **Social Engagement** with the milieu in which we operate, with cultural integration, contribution to its development and respect for the environment.

# 10 Business Policy

## Cooperative Identity and Commitment



Socio-entrepreneurial Results express the Challenge and the Five Corporate Strategies included in Corporate Business Policy 2013-2016, which guide us regarding the goals and targets to be established, striving to strike a balance between the short and long terms, and between the different spheres: **Transforming the Business Structure, Sizing, Internationalization, Innovation, Inter-cooperation and Commitment & Cooperative Identity.**

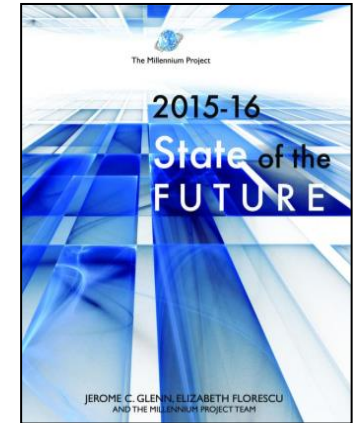
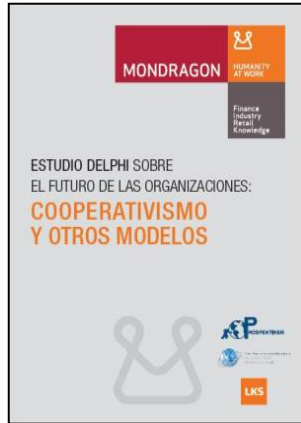
**The achievement of satisfactory results will be proof of the soundness of the Management Model's application.** It is therefore necessary to introduce **monitoring mechanisms** that enable us to analyse the trend over specific timeframes, and allow for the **adoption of improvement actions.**

# Mondragon, part of the Millennium Project



**The Millennium Project**

GLOBAL FUTURES STUDIES & RESEARCH

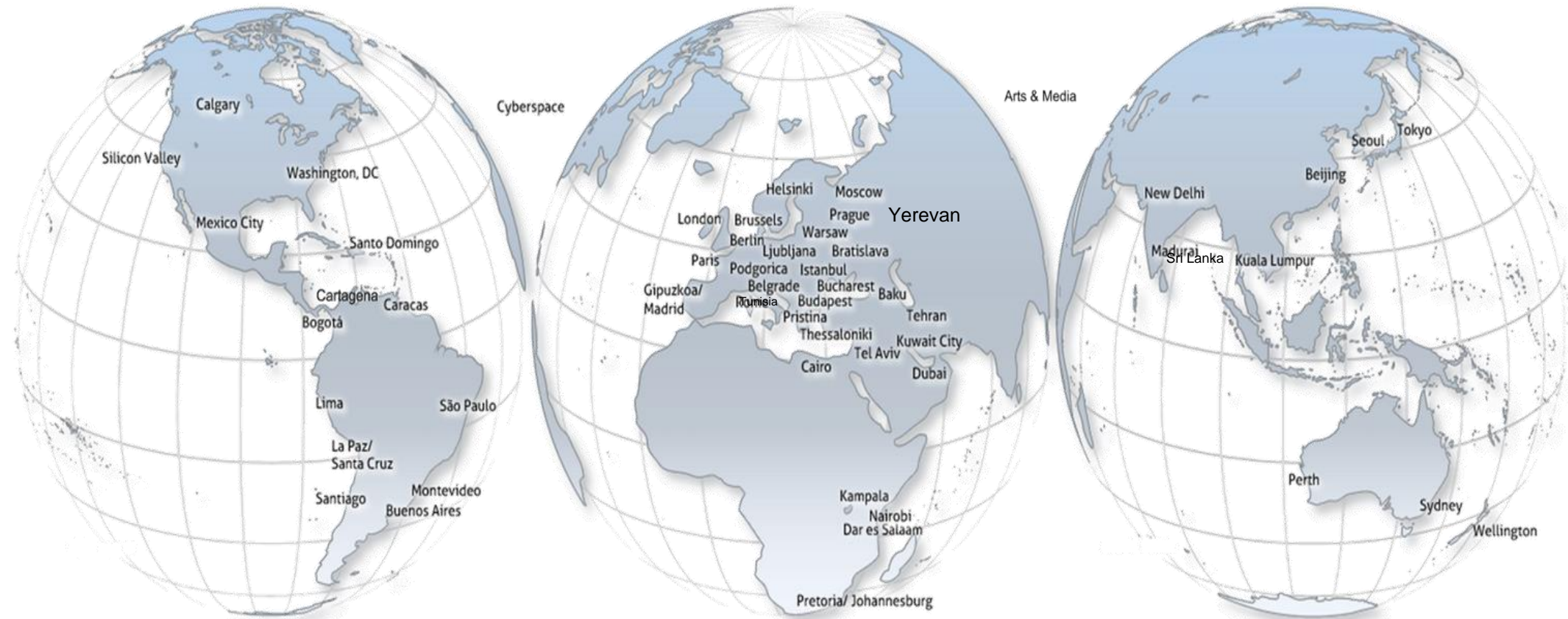


# 60 Nodes...and two regional networks in Europe and Latin America



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Nodes identify participants, translate questionnaires and reports, and conduct interviews, special research, workshops, symposiums, and advanced training.

# Inevitability of New Economics



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- Concentration of wealth is increasing
- Income gaps are widening
- Employmentless economic growth seems the new norm
- Return on Investment in capital and technology is usually better than labor
- Future technologies can replace much of human labor
- Long-term structural unemployment is a “business as usual” surprise free forecast
- What can we do about this?



# Future Work/Technology 2050 Study



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1. Literature and Related Research Review
2. Real-Time Delphi
3. Global Scenario Drafts to 2050
4. RTDelphi Feedback on the Scenarios
5. Final Scenarios, Policy issues, and workshop considerations
- 6. National Workshops**
7. Collect results of the national planning workshops, analyze & synthesize results
8. Final report for public discussion

# Next Technologies (NT) = all together:



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- Artificial Intelligence
- Robotics
- Synthetic Biology & Genomics
- Computational Science
- Cloud & Big Data Analytics
- Artificial & Augmented Reality
- Nanotechnology
- IoT, Tele-Everything & Tele-Everybody, the Semantic Web
- Quantum computing
- Tele-Presence, Holographic Communications
- Intelligence augmentation
- Collective Intelligence
- 3D/4D Printing of Materials and Biology
- Drones, Driverless Cars (and other autonomous vehicles)
- Conscious-Technology
- **Synergies Among These**

# Global Work/Technology Scenarios 2050



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- 1. It's Complicated - A Mixed Bag**
- 2. Political/Economic Turmoil – Future Despair**
- 3. If Humans Were Free – The Self-Actualizing Economy**



# Global Employment Assumptions

Workforce 3 billion 2000; 6 billion 2015



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	<b>Scenario 1 Business as Usual</b>	<b>Scenario 2 Political Turmoil</b>	<b>Scenario 3 Self-Actualization</b>
Employed	2 Billion	1 Billion	1 Billion
Self-Employed	2 Billion	1 Billion	3 Billion
Unemployed or in transition	1 Billion	2 Billion	1 Billion
Informal Economy	1 Billion	2 Billion	1 Billion

# Is this the right answer?...

## Humanity at work

MONDRAGON, a social  
innovation ecosystem  
case study

THE  
YOUNG  
FOUNDATION

PUTTING PEOPLE  
AT THE HEART OF  
SOCIAL CHANGE



<https://youngfoundation.org/publications/humanity-work-mondragon-social-innovation-ecosystem-case-study/>

 **THE  
YOUNG  
FOUNDATION**

**PUTTING PEOPLE  
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SOCIAL CHANGE**

# Mondragon's founding innovation mission

## **José Maria Arizmendiarieta:**

In the 1940s, at a time of great need, he believed people could give their labour and skills to create something as a community

## **Technical college based on two principles:**

1. To provide technical education to young people
2. To instill in them a humanistic participatory vision

## **Meeting needs:**

*“It began from asking, ‘what are the needs that exist in this community?’ and thinking about how the community could respond to these needs”*





# the MONDRAGON CORPORATION

- Today MONDRAGON's mission combines the core goals of a business organisation competing in international markets with:
  - **Democratic methods**
  - **Creation of jobs**
  - **Human and professional development of workers**
  - **Development in line with the social environment**
- ***“You carry on being in the co-operative because you’re interested in the sharing out of wealth....”***
- ***I can have a job and at the same time, create more jobs and more wealth in my environment”***

# What is social innovation?

- Meets social and economic needs **Mission driven**

- Expresses social demands

- Context dependent and context specific

- Driven by social practices which emerge from social values

- Often citizen-led and often smaller scale

a new approach to tackling old or emergent problems that don't appear to have a traditional solution

## **Social in MEANS and ENDS**

**Can be transformative: of processes, products, relationships, power, economics and people**

# Mondragon's founding Innovation Vision

## Arizmendiarrieta –

At a time of great need: he believed people still could give their labour and skills to create something as a community

### Technical college based on two principles:

1. To provide technical education to young people
2. To instill in them a humanistic participatory vision

## Led to co-operatives

## MEETING NEEDS DISRUPTIVELY

*“It began from asking, ‘what are the needs that exist in this community?’ and thinking about how the community could respond to these needs.” (Garbiñe, 36).*

## GROWTH KEY TO MODEL

*“He realised here was the embryo of a great idea, of growth, but if he didn’t do certain things bound to the community, it could all fail”*

# MONDRAGON as social innovation

## Social in ends

Aims to change and contribute to surrounding environment

Broader benefits of its way of working to the society around it

Aim of wealth creation for wealth distribution

Facilitating participation of others by introducing them to model and training them

## Social in means

Wealth sharing – 1:6 salary ratios

Participatory – vocational education

Democratic - 1 person, 1 vote

Intra co-operation – solidarity between people

Inter co-operation – co-operating with other co-operatives

Non-competition between co-operatives

# Key social values/ narratives

## **Auzolan – common good**

Community ‘can do it’

Joining forces in a difficult environment

## **Sacrifice and generosity**

What you give up to contribute to your community

Relational value – between people

## **Self responsibility**

People are protagonists in their own project

Responsible for success

## **Democracy and participation**

Each worker can participate fully

“1 person 1 vote”

Focus on providing opportunities for people to participate fully in the project

## **Learning by doing**

Learning & labour participation possible with appropriate support and training

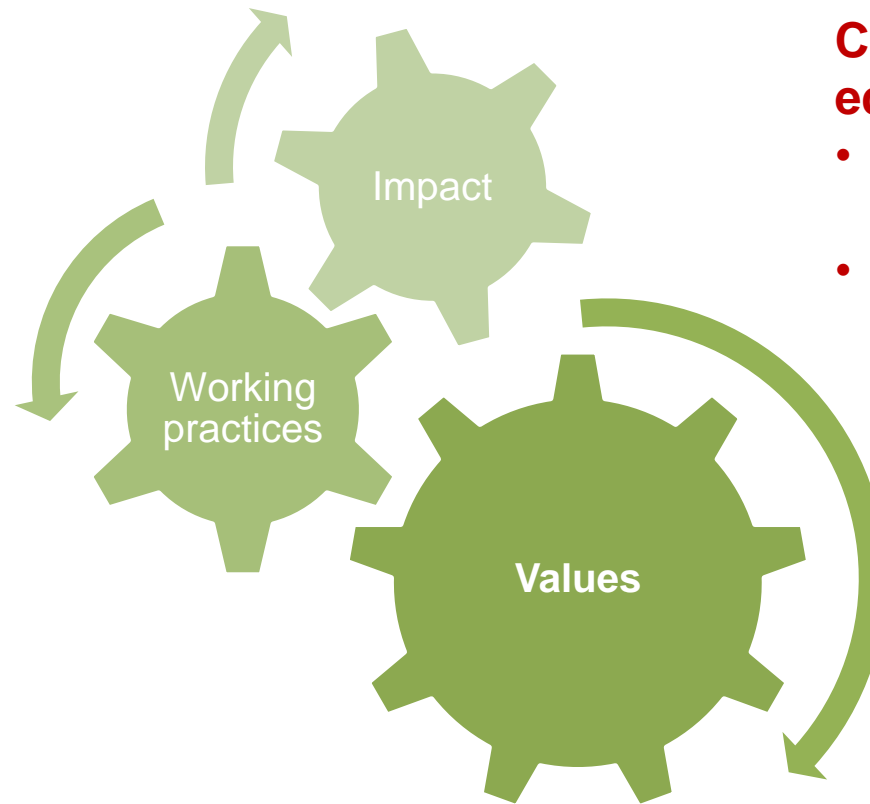
‘learning on the job’

**Innovation principle: trial and reflection**

# Values into practice – wealth sharing

## Examples

1 person 1 vote  
Shared ownership  
Vocational training  
Wealth re-investment



## Capital as an equality tool

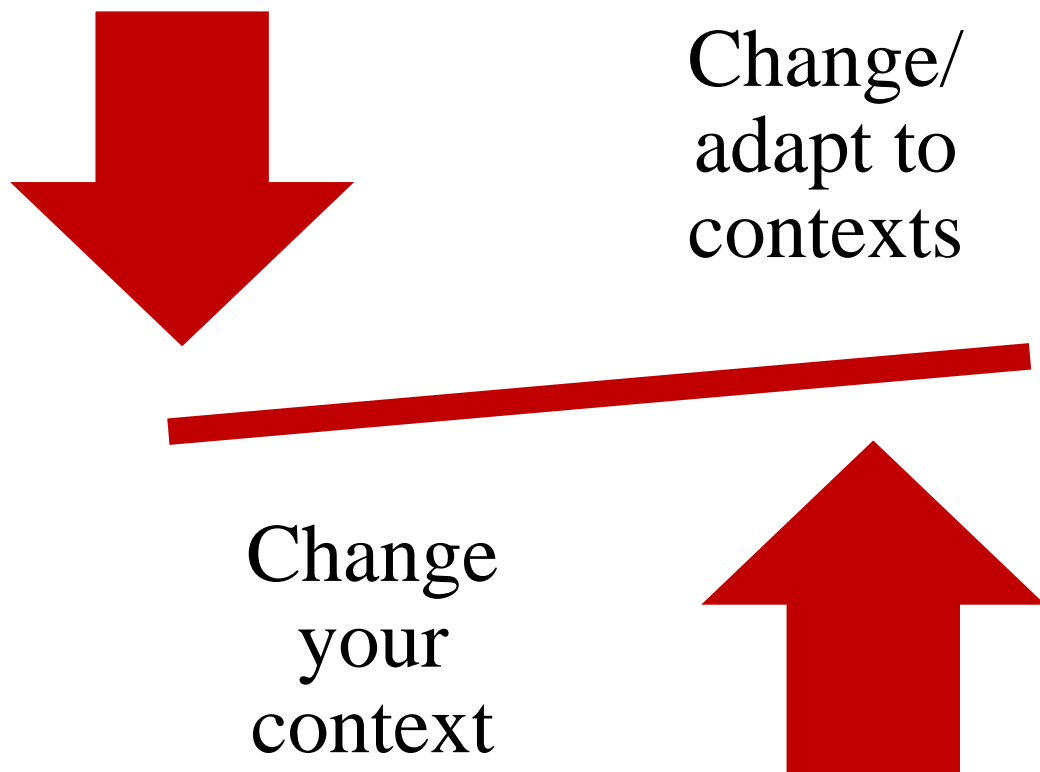
- Creates employment
- Generates impact (through success)

***“We don’t exist only to accumulate capital... we want to leave future generations something better than what we found.”***



# Context and contribution

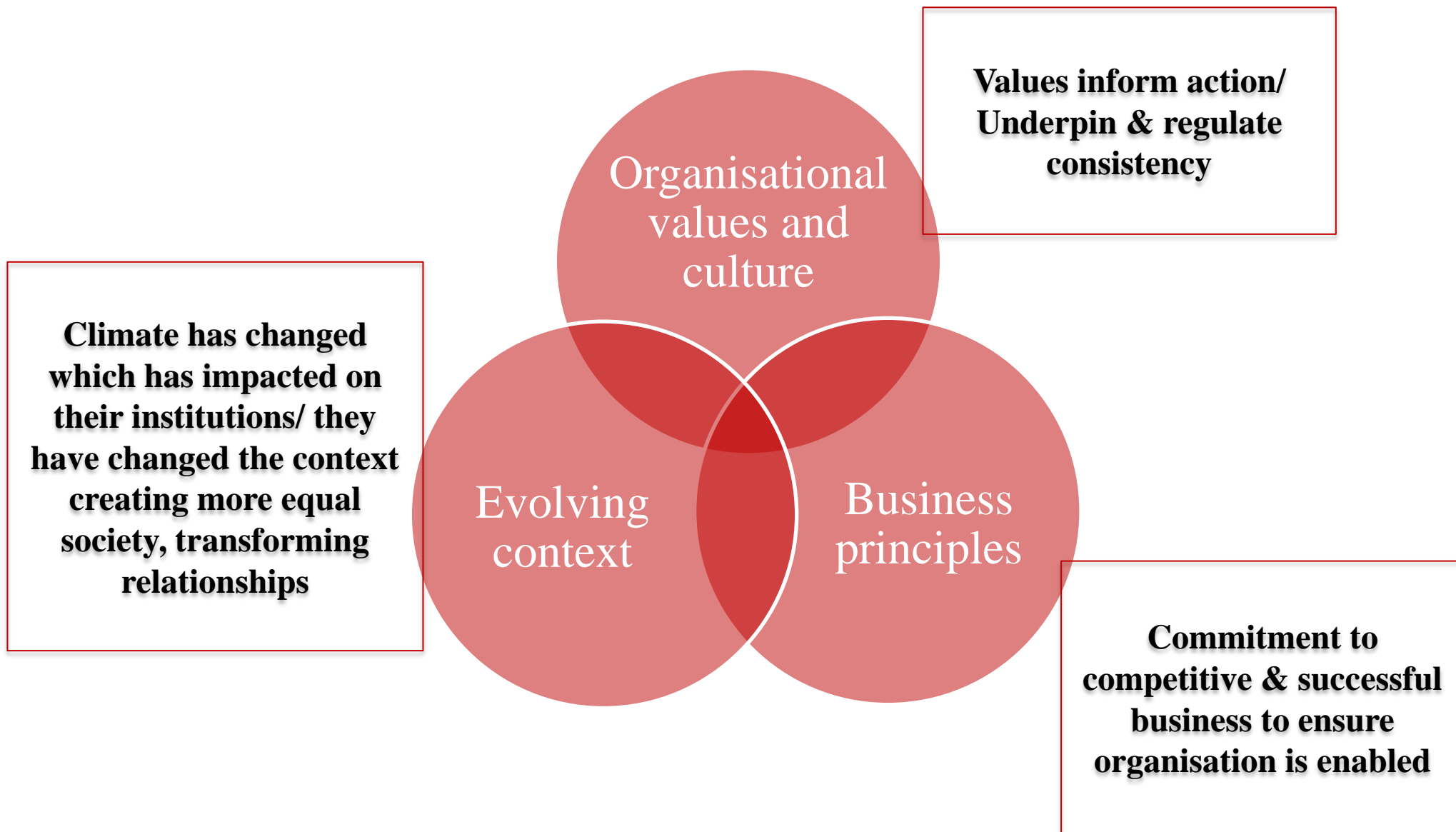
## INNOVATION PROCESS



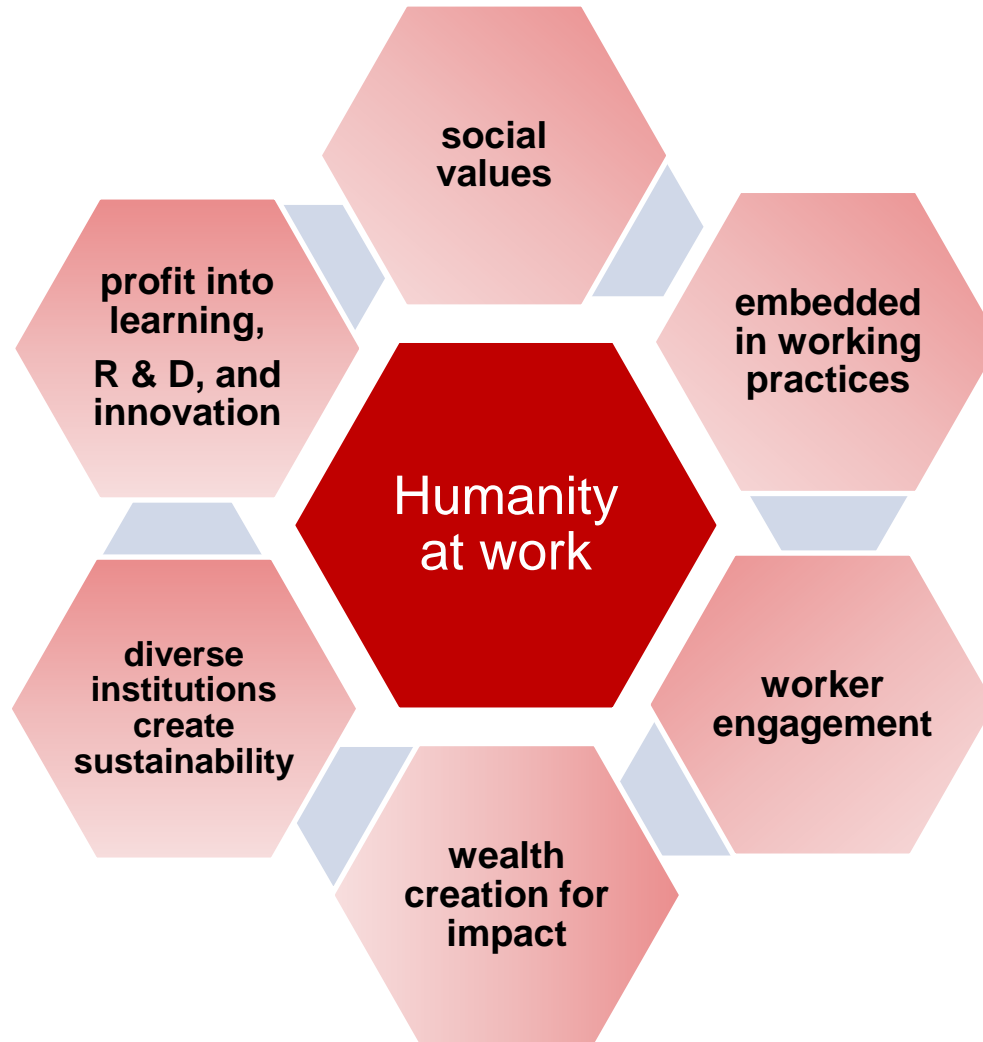
***“When he arrived in the town, it was a poor environment in every sense: relationally, socially, economically”***

***“I know that I can go out for a glass of wine, or for dinner, and in the richest place I could find the poorest person and in the poorest place I could find the richest person. There isn’t this separation between people. Everyone shares the same spaces and we all have access to the same spaces”***

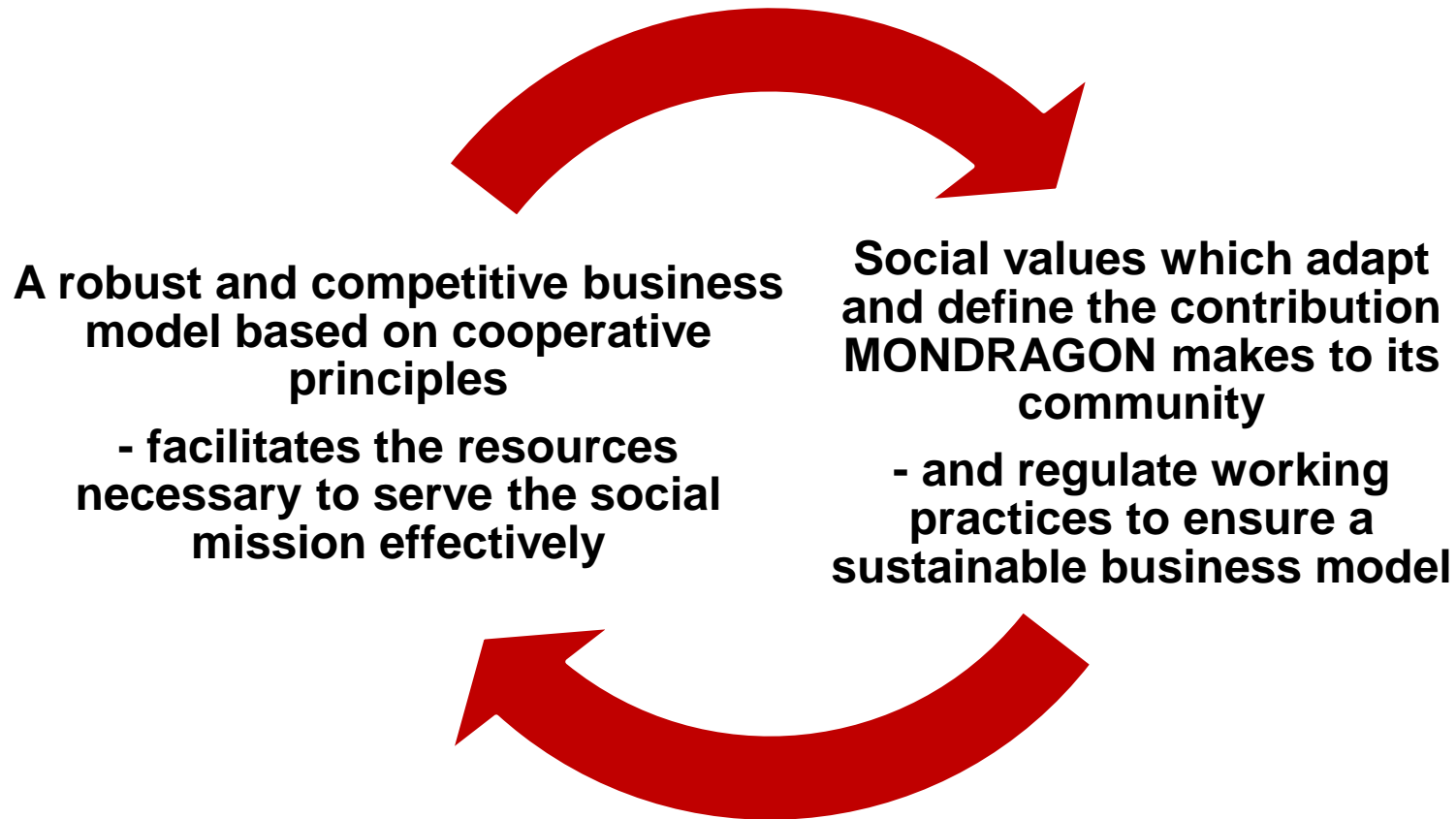
# core dynamics



# ecosystem



# Underpinned by Co-operation





MONDRAGON

HUMANITY  
AT WORK

Finanzas  
Industria  
Distribución  
Conocimiento

# Humanityatwork

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