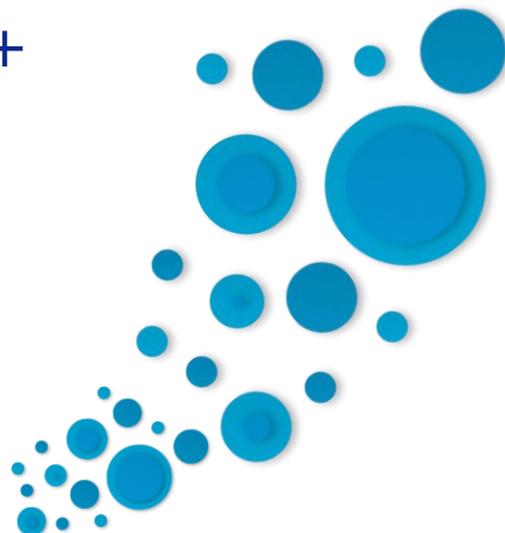




Erasmus+



# MY IDEA, MY FUTURE:

## FIRST STEPS TO SOCIAL ENTREPRENEURSHIP

Manual to guide you on your first entrepreneurial path

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# MY IDEA, MY FUTURE: FIRST STEPS TO SOCIAL ENTREPRENEURSHIP

## Manual to guide you on your first entrepreneurial path

Erasmus+: KA2 - Cooperation for innovation and the exchange of good practices - Strategic partnership  
for youth

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## FOR THE MANUAL

This manual was created as part of the project: »My idea, my future: furthering social entrepreneurship in rural area. « It is co-financed by the European Union through their Erasmus+: Youth in Action programme. This project alongside the manual was developed due to the difficult situation young people found themselves in, not only in Slovenia but across Europe. The solution to improve the social and economic situation of young people is seen in the concept of social entrepreneurship. Social entrepreneurship is a great opportunity for social integration and employment with its perfect adaptability to regional specific challenges. Social entrepreneurship enhances social solidarity and cohesion, promotes the inclusion of society/people and volunteering, strengthens the innovative ability of society to address social, economic, environmental and other issues. It provides an additional offer of products and services that are in the interest of the general public, establishes new employment opportunities, provides additional jobs and helps with the social integration and professional reintegration of the most vulnerable groups in the labour market.

Social entrepreneurship does not mean being depended on welfare or living at the expense of the state and its subsidies. It is not a marketing trick to attract customers. Social entrepreneurship requires conscientious and hard work like any other activity and mostly does not yield higher added value or high earnings, but it can be an effective response to the changes in society and social changes in the environment we work and live in.

Encouraging young people to develop entrepreneurial ideas and take their first steps into social entrepreneurship can therefore be an effective approach to reduce unemployment among young people and create a new employment perspective, not only on a regional, but also national and European level. A lot of times we want to embark on a new path but are unsure of the right way to do it. It is therefore our mission to inform young people on the potential of social entrepreneurship in addition to providing useful information. We hope that this manual will help you increase your knowledge of entrepreneurial pathways and work.

The purpose of this manual is to simplify your first steps into social entrepreneurship or to outline the subject matter in the simplest of terms, so we gathered all the key information in one convenient place. This manual is the result of the efforts made by youth groups from Slovenia, Italy and France under the watchful eyes of their mentors.

Authors



## CONTENT AND USE OF THE MANUAL

In the process of preparing this manual, we have strived to include all the key information you need to take your first steps into social entrepreneurship, to present good examples of active social enterprises and help you discover the potential of social entrepreneurship. We want you to see social entrepreneurship not only as a challenge but also an opportunity for your future employment. Social entrepreneurship is basically quite similar to traditional entrepreneurship, the only difference are the motives and methods.

The manual consists of the following parts:

### **1. What is social entrepreneurship and who is a social entrepreneur**

The fundamental value of social entrepreneurship.

### **2. The SWOT analysis of social entrepreneurship**

A short review of the SWOT analysis of social entrepreneurship in each country. We examine 4 aspects of social entrepreneurship in Slovenia, Italy and France, namely strengths, weaknesses, opportunities and threats. The SWOT analysis is one of the most common and most popular tools used by business entities. The final strategy is to build on your strengths, eliminate weaknesses, take advantage of opportunities and avoid the threats.

The SWOT analysis can be applied to any area and is therefore widely usable. It is also extremely easy to understand. And is usually an important component of the business plan.

### **3.and 4. Characteristics of the national labour market and the legal regulations of social entrepreneurship**

A short overview of the characteristics of the national labour market and legislation linked to social entrepreneurship in Slovenia, Italy and France. For the European Union, social entrepreneurship represents a potential for the future.

### **5. From the idea to successful entrepreneurial stories**

We gathered data that will provide useful information when we decide to delve into social entrepreneurship: how we go from an simple idea to a vision and end up with a mission; how to analyse and verify the entrepreneurial idea; tips for marketing and selling; how to elaborate the annual workflow, your financial plan; how to obtain money for the start-up of a social enterprise and how to manage a social enterprise/business.

### **6. Examples of good practice**

Examples of good practices are presented through a short presentation of social enterprises and an outline of the company's primary activity. The examples of good practice include social enterprises from Slovenia, Italy and France.



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## WHAT IS SOCIAL ENTREPRENEURSHIP AND WHO IS A SOCIAL ENTREPRENEUR

Congratulations! You are reading these pages because you have decided to become a social entrepreneur and want to increase your knowledge on the subject matter or you just want to sort out your scattered thoughts into a “small business plan”. Don't worry we won't bother you with boring definitions and a bunch of useless information. We only want to facilitate your first contact with social entrepreneurship.

Social entrepreneurship will be the driving force of employment and the solution of social problems through entrepreneurship-oriented skills in the future. Social enterprises change people's lives and bring positive changes around the world. Their solutions to social and environmental problems can be extended and used in different countries, allowing for a more open, sustainable and prosperous future for everybody.

At this point you are probably wondering what exactly the difference between a classical and social entrepreneur is. The most important competence of each entrepreneur is the one we call entrepreneurship. The essence of social entrepreneurship is precisely the use of entrepreneurial skills while tackling on social issues. The social entrepreneur detects and defines a social problem and tries to find a solution that relies on the entrepreneurial logic. If you are inherently resourceful, creative, daring, convincing and you also have the sense of identifying opportunities, then you are exactly the right person for this kind of life path. If you want to be successful on this path, you will have to trust yourself.

### **What is the core objective of social entrepreneurship?**

Social entrepreneurship is a form of entrepreneurship with a large sense of responsibility for society and people. The motives for starting a business are primarily in tackling social, economic, environmental and other problems societies face in an innovative way. The primary purpose of this alternative form of entrepreneurship is a good performance on the market, while taking into account the principles of social entrepreneurship. Social entrepreneurship in particular helps to create new jobs for vulnerable groups and provides socially beneficial activities.

The main difference compared to traditional companies is that the profit is generally not shared, but it is invested back in the company. Social entrepreneurship is interlinked, as it promotes the participation of people and volunteering, and thus enhances solidarity in society.

In addition to operating on the principles of non-profit organisations, social entrepreneurship consists of two mandatory components:

- Entrepreneurial idea (which solves a problem in the society) with the contained business model
- Organisational structure of the business based on democratic principles and on the equality of all employees

Social entrepreneurship creates high added value in financial terms, it also has a huge impact on the community, which is the backbone of social enterprises. They often fight against unemployment, promote healthy lifestyles, increase nutritional self-sufficiency, solve the accumulation of waste and



materials, create accessible tourist products, deal with eco-farming, etc. It is important to note that the biggest challenges of social entrepreneurship are also their greatest advantages.

After the establishment of the business and the acquisition of the social enterprise status, you are only at the beginning of your journey. Everything is still ahead of you. Unfortunately, the planning is not over yet. You will also have to prepare an application form, usually an investment program or a business plan, and persuade investors to support your idea. And one more thing. It is mistaken to believe that the state supports social entrepreneurship is supported through non-refundable resources (like subsidies). Unfortunately, or luckily, that's not true. Therefore, we encourage you to take steps towards social entrepreneurship only if you feel the calling. A social enterprise is a business and a social entrepreneur is primarily an entrepreneur who needs to master all entrepreneurial skills. Social skill, in particular are very important here. A social entrepreneur can listen, be compassionate, collaborative, interconnected, has the ability to accept diversity, is empathic.

Here is another little suggestion for you. In your area there is without a doubt a successful social entrepreneur who will be pleased to explain to you all the challenges one faces while trying to achieve your goals. Ask them out for coffee or two. The best and most accurate information always comes from a first-hand experience. Social entrepreneurs also know exactly what they would do differently if they decided to create a business from scratch again.

The path to becoming a social entrepreneur is not an easy one but believe me that its rewarding in the long run. It is important for you, your family, your friends, the community where you live and where you work.

The future of social entrepreneurship is bright. But it's important to have a commercially functioning idea.

A little bit of imagination is required.

## SWOT ANALYSIS OF SOCIAL ENTREPRENEURSHIP

Before you take your first step into social entrepreneurship, you will probably want to know where exactly to focus your business on, what aspects to abandon or strengthen. What exactly is the potential of social entrepreneurship on a national and European level. Where are the biggest opportunities and where there aren't any?

Although specific measures and strategies of social entrepreneurship development and national legislation on social entrepreneurship are adopted at a European and national level, which means a high level of acquisition and the cornerstone of quality development, there are still some problems that will have to be faced in the coming years. In this manual we are using the SWOT analysis (strengths, Weaknesses, Opportunities, threats) to explore the pros, cons, opportunities & dangers of social entrepreneurship in Slovenia, Italy and France.

The essential part of the analysis focuses on the advantages and disadvantages with the sole purpose of identifying key development potential, while threats and opportunities allow identification of external threats and opportunities offered by the broader environment and which normally we have no influence on. The final strategy to the path towards social entrepreneurship is to build on advantages, take into account weaknesses, exploit opportunities, and avoid threats.

In the SWOT analysis of social entrepreneurship and social enterprises each country focused on the knowledge and the work of companies, that are registered as social enterprises, in their local



environment. The analysis consists of conversations with the founders of said companies and other important information we have pursued.

## SWOT analysis of social entrepreneurship in slovenia

### STRENGTHS

- **A strong sense of solidarity and people.** People that are part of different organizations have the tools to help people in need. The purpose of social entrepreneurship is to address a specific problem in society and helping vulnerable groups find employment.
- **A good reputation for social enterprises in the general public**
- **The presence of many initiatives in the local environment** and the inclusion in the activities offered
- **Advantages from various incentives and aids (state, EU ...).** The EU attaches great importance to social entrepreneurial projects and the social inclusion of vulnerable groups in the labour market (the European Social Fund from the current Financial Perspective 2013-2020), one of which is also an initiative called "Cradle to Cradle" and is responsible for the transfer of knowledge & good practices between social enterprises.
- **To benefit from the entrepreneurial knowledge and experiences** of similar business abroad
- **The Social Entrepreneurship Act (SOCP)** was adopted in 2011. Since then, the number of social enterprises has risen to over 260. The law provides for a special status, which can be obtained from a non-profit legal entity and provides certain advantages in the procurement of public funds.
- In early 2018, Amendments to the Social Entrepreneurship Act - **SOCP-A** was implemented, eliminating certain weaknesses.
- **Support organisations**, such as regional development agencies that have successfully promoted the development of social entrepreneurship in disadvantaged regions in recent years, for examples in rural areas. Among them are entry points called VEM (as well as the web portal VEM), where social entrepreneurs can get all the information in one convenient place.
- **Workshops on social entrepreneurship in local areas:** mainly linked to the promotion of social entrepreneurship among young people
- **Measures to promote the investment of social entrepreneurship in rural areas**
- **Social responsibility and approach** in comparison to the profit orientation of other businesses
- **The objectives of the development policy favour the development of social entrepreneurship**
- **Existing strategies, programmes and good practices to promote social entrepreneurs in the EU Member States.**

### WEAKNESSES

- **Poor understanding of the term social entrepreneurship.** The mistaken thinking, that social enterprises are dependent on the help of the state, dependent on subsidies or public tenders. It is important that even social enterprises have a market functioning idea.
- **Improper use and confusion in the use of expressions bound to the purpose, principles and objectives of social entrepreneurship.**
- **The social entrepreneurship sector has been unregulated for a long time.** In the past years, government has not seen the potential in social entrepreneurship.
- **Insufficiently developed mechanism for statistical and analytical monitoring of social entrepreneurship.** These mechanisms are important because of the entry of new social entrepreneurs into the industry, who normally rely on outdated statistical data.



- **Unequal treatment of certain (legal) types of entrepreneurship.**
- **The communication between existing support networks is very poor** and they do not put enough focus on finding opportunities that encourage the development of social entrepreneurship.
- With the exception of disabled and unemployed persons, there are **insufficient measures to promote the integration of other vulnerable target groups.**
- **Poor reputation of some social enterprises** (e.g. companies that employ disabled people)
- **A lack of entrepreneurial approach** in the development of services/products of social enterprises.
- **Insufficient start-up capital**
- **Unfinished business ideas** and a lack of strategic approach
- **Under-explored market for the products/services of social enterprises**
- **Lack of knowledge in the field of marketing and a poor marketing approach**
- **Insufficient qualified managers in social enterprises.** In the labour market it is difficult to get managers trained to work in a non-profit organization. They require certain knowledge that managers in traditional companies don't need. In other countries they can count on external help. Social workers, psychologists and psychiatrists (when needed) are there to lend them a helping hand. How else will a social entrepreneur know how to proceed if the employment agencies send him a recovering addict that is part of a methadone maintenance programme and is supposed to be integrated in the work force.

## OPPORTUNITIES

- **Potential for contributing to economic growth recognised across Europe.** Social entrepreneurship represents an important alternative to traditional forms of the economy.
- **There are documents, regulations and a set of measure to help social entrepreneurship at a EU level.** The EU is striving to create an environment where social entrepreneurship has a good chance for development.
- The EU policy and strategy in this sector has a big impact on the decisions and actions of each Member State. In Slovenia the main focus is on the **government strategic project that promotes the development of social entrepreneurship, cooperation's and economic democracy.** The aim of the government strategic project is to develop a social economy sector at a level comparable to the EU. Important measures are the preparation of the social economy Development Strategy 2017 – 2027, amendment of the Public Procurement Act – reserved public procurement for social enterprises, systemic regulation and integration of social economy into all key documents that promote the development of entrepreneurship. Etc.
- **There are measures/incentives to integrate/recruit target groups of people with disabilities and long-term unemployed,** registered at the Employment Service of Slovenia (ZRSZ – Zavod Republike Slovenija za Zaposlovanje)
- The legislation allows for the acquisition of concessions for the development of social services and support for the development of entrepreneurship.
- **The existence of support organisations** (local development agencies, regional agencies, including municipalities) that can promote the development of social entrepreneurship.
- **Adopting EU rules into Slovenian legislation.**
- **Creation of comprehensive support mechanism** for the development of social entrepreneurship on a national level.
- **Promoting of social entrepreneurship** (with the support of the media), which will contribute to the increased visibility of social entrepreneurship in the general public. This will also strengthen the openness of the environment for the social and labour integration of people



from the most vulnerable groups (at the times of high unemployment it is even harder to employ them).

- **The possibility of creating priority criteria of public procurement** (similar to green public procurement).
- **Setting priority criteria for the selection of social entrepreneurship projects** in public tenders.
- **The potential of social entrepreneurship in the area of the needs of seniors.** The ageing of the population increases the need for an increase care for the elderly, health care and integration of seniors into society.
- **Expanding the measure to all vulnerable target groups.**
- **Creation of packages of measures to support the social enterprises at all stages of development** (feasibility studies, introduction, growth and development) that will be tied to both the company/initiative and individuals who will be employed in the company
- **Reduction of passive forms of social assistance and replacement with active ones** (promotion of employment)
- **Linking the measure on a national and regional/local level.**
- **Educating the operators of the support environment** on a national/regional/local level.
- **Breeding ground of business ideas for social enterprises.**
- **Linking social enterprises with traditional, socially responsible companies,** with the fundamental goal of transferring knowledge and resources between businesses.

#### THREATS

- **The application of principles and mechanisms that is not in line with the values and principles of social entrepreneurship.** Abuse of a social enterprise can damage the reputation of the entire industry, especially on a local level.
- **Sensitivity in the management of employees from vulnerable groups.** Social enterprises should not become a short-term solution for development problems (e.g. Unemployment in the face of an economic crisis.)
- **Equating social entrepreneurship with the non-governmental sector and social policy.** Social enterprises operate on the market under the same conditions as traditional ones.
- **Insufficiently recognized potential of social entrepreneurship.** Incoordination and incoherence of government departments. The latter presents a problem when applying for tenders and obtaining public funds.
- **Insufficient funds in the state's annual budget for the implementation of measures.**
- **Non-stimulative tax legislation.**
- **Poor understanding of social entrepreneurship and its benefits** on a national and regional/local level.
- **Dispersed and mutually uncoordinated legislative frameworks and support mechanisms.**

#### SWOT analysis of social entrepreneurship in Italy

##### STRENGTHS

- **Embedded position of social entrepreneurship in Italy** - the Social Economy sector was born in Italy in the 1960s'. Italy has also a relatively rich, well developed and diverse environment for social enterprises as compared to other European countries. This offers a solid starting point for Italian social enterprises.
- Possibility to profit from existing **public and private funds** supporting social Innovation and Entrepreneurship.



- ✓ Private funding such as Unicredit, Banca Prossima, Bosh foundation, UBI Banca and CGM's social bonds, Oltre Venture and more.
- ✓ European level: programme *Interreg IVC* (funding for interregional cooperation across Europe), and *Social Business Initiative – Action plan* (supports the development of social enterprises, key stakeholders in the social economy and social innovation in close partnership with stakeholders in the sector - making it easier for social enterprises to obtain funding, increasing the visibility of social entrepreneurship and making the legal environment friendlier for social enterprises.).
- ✓ National level: for example, *Promozione e sviluppo del terzo settore* (Promotion and development of the third sector). It plans an active and conscious participation of the third sector organisations, a transparency and simplification of procedures, an identification of good practices, the promotion and support of the capacity of the third sector to stimulate a greater involvement of the civil society.
- ✓ Local level: Italy councils and local governments implement the *Piano di Azione per la Coesione* (Action plan for Cohesion) includes the promotion of the social enterprise. Moreover, the *Jeremie Programme* which was funded by the Sicily Region, the *ethical bank* and the *FEI*, promote social inclusion and local development funding to small social enterprises and cooperative entrepreneurship at a local level.
- **Existing network of social enterprises** – for example, *Sicilian Forum of the third sector* units around 40 representative organisations as such as cooperatives, associations and other NGOs working on the promotion of social inclusion, social cooperation allowing a local cooperation and the sharing of tools and good practices.
  - ✓ Such networks can play an important role in supporting the development of the sector by offering support, guidance and advice, as well as acting as an advocate for the sector. For example, social cooperatives consortia are the most common support structure for social enterprise in Italy and provide training and consultancy support to their members.
  - ✓ Networks and mutual support mechanisms are well established in Italy. Social cooperatives often group together in local consortia to be effective in the market place. The consortia are in turn linked together in national federative bodies.
- **MAPPING**
- **Legal framework defining social enterprises** - Italy has a law on social cooperatives (legal form) as well as a law on social enterprises (legal status).
- **Good visibility** - Social enterprises has reached a high level of visibility and interest among institutional, economic and financial groups in Italy and Europe.
- **Increasing number of social enterprises** Italy indicates the ability of individuals to start entrepreneurship.

## WEAKNESSES

- **Gaps in the legal framework** - There are two legally recognised forms of social enterprise: social cooperatives and social enterprises ex lege. These legally recognised and therefore institutionalised forms of social enterprise **do not capture the de facto universe of social enterprises in Italy** which also includes:
  - ✓ **Non-profit organisations** pursuing social aims and oriented towards productive activities; and
  - ✓ **Other organisations** (e.g. traditional cooperatives and mainstream enterprises) which perform activities of production and/or exchange of goods and services of social utility while pursuing objectives of general interest.
- **Significant influence of and dependence on public sector** – public funding dominates the revenue streams of social enterprises, reflecting in large part their missions and activity focus



such as work integration, and provision of social and welfare services. (45 per cent of social enterprises in Italy have public bodies as their main clients).

- **Decreased public contributions** - In response to the economic crisis Italian Government reduced the availability of public resources in sectors that are fundamental for social enterprises, such as the sector of welfare. This in turn has reduced the opportunity for expansion of social enterprises as far as public sector demand is concerned.
- **Insufficient policies** - Entrepreneurship policies and social economy initiatives usually do not target disadvantaged communities and social development.
- **Unequal opportunities** - Low-income classes, people with lower education, and other disadvantaged groups usually face difficulties when creating new entrepreneurial initiatives.
- There are **no marks, labelling schemes or certification systems** for social enterprises in Italy.
- **Information asymmetries** affecting the relationships between social enterprises and investors: credit rating often is not customised to the characteristics of social enterprises, and a consequence of this is more expensive costs of financing.
- **Financial vulnerability** - Social enterprises (especially cooperatives) often face **undercapitalization**. (This is partly due to the legal obligation to direct part of their profits to reserves. Italian law obliges cooperatives to earmark 30 % of total annual profits for the legal reserve.)
- **Difficult private fundraising** - Legal restrictions on profit distribution make it complicated to attract investments from private investors.
- Social enterprises often **lack sufficient fundraising knowledge and capacity**.
- **Poor ability to adapt the business model** to the needs of different business sectors, markets and stakeholders.
- Big part of workers in social enterprises is **volunteers**. This may lead to lower productivity of staff and higher turnover.

## OPPORTUNITIES

- Social entrepreneurship may be an answer to the alienation and non-satisfaction of needs by the traditional private sector or the public sector in time of socioeconomic crisis.
- Opportunity to participate in existing networks, follow existing good practices and take advantage of existing private and public funding.
- Opportunity to **create new jobs and labour market opportunities** and contribute to the improvement of problematic situation in Italian labour market.
- Opportunity to **improve of the economic a social situation** of disadvantaged communities.
- Opportunity to focus on socially and economically disadvantaged groups, young people, communities in rural areas, people with fewer opportunities to **support their self-employment initiatives and economic activity**.
- To **promote solidarity** within Italian society.
- Apparent **need for social enterprises** to provide new services or to respond to groups of people with needs not recognized and satisfied by public authorities or excluded from the public services and benefits. Socio-economic problems increasing in recent years (emigration, unemployment, increasing numbers of young NEETs etc.) which the government alone is not able to solve. Social enterprises may fill these gaps.
- Opportunity to develop **new skills and capacities of vulnerable groups**, promoting community improvements in the field of health, education, employment, promoting capacity building and engaged citizenry.
- Opportunity for **social enterprises to diversify into new markets** (private demand) and to become more innovative.

- Opportunities for social enterprises generated at **international level** such as introducing new products and services, new organizational structures and new distribution structures of commercial type and no.
- Possible major recognition of social enterprises as a lobbying voice in future.
- Opportunity to use, manage and promote **confiscated properties**.

#### THREATS

- **Poor condition of Italian economics** – persisting symptoms of economic recession, high unemployment rates, huge differences between highly-industrialized and developed north and agriculture-dependent south etc. are significant threats for new entrepreneurs.
- **High number of existing social enterprises** (NGO, associations and cooperatives) may cause **elevated competition** within social entrepreneurship sector.
  - 35,000 social enterprises in Italy (0.8 per cent of the total business population).
- **Difficulties in reaching funding for social enterprises.**
- **Difficulty in attracting effective managers** to develop further their business due to lower salaries offered by social enterprises as compared to other sectors of the economy.
- Possible delays in payments for the services delivered to public administrations. This problem affects significantly especially the sustainability of non-profit social enterprises.
- **Growing demand for updated specific technical skills** and risk of outdated of skills and knowledge of social entrepreneurs and workers –continuous learning is necessary.

#### SWOT analysis of social entrepreneurship in france

##### STRENGTHS

- **A legal framework defining and supporting the social and solidarity economy.** The law of the 31st July 2014 on the social and solidarity economy aims to support and develop the social and solidarity economy sector. The aims are diverse:
  - ✓ Recognize the social and solidarity economy as an innovative and sustainable way of doing business and attract more public and private funding to these ESS organisations.
  - ✓ Strengthen an ESS stakeholders network and thus enter into a long-term process.
  - ✓ Give back the power to act to employees, informing them before about the sale of their business and facilitating their company recovering.
  - ✓ Create a cooperative momentum between employees, producers, customers, local authorities to strength and create employment.
  - ✓ Strengthen local sustainable development policies and local stakeholders initiatives to promote jobs that cannot be relocated in the territories.

This law encourages awareness about the social and solidarity economy area and supports involvement in this innovative way of doing business and initiate a real change. It brings together the historical players of the French social economy (associations, mutual societies, cooperatives and foundations) and new forms of social entrepreneurship such as commercial companies, which pursue an objective of social utility and which make the choice to apply to themselves the principles of the social and solidarity economy.

- **An institutional representation and an existing network**
  - ✓ **The High Commissioner for Social and Solidarity Economy and Social Innovation.** Linked with the Minister for the Ecological and Solidarity Transition, the High Commissioner has to promote and implement the Government's policy on the development of the social and solidarity economy. He has to support social innovation to promote the incubation and



spin-off of innovative and successful projects, in partnership with all industry stakeholders and local authorities

- ✓ **The Higher Council of the Social and Solidarity Economy (CSESS)** is composed of 72 permanent members (local and national elected representatives and representatives of the different economical stakeholders). They are appointed for a period of three years. The main missions of the CSESS is to ensure dialogue between the SSE stakeholders and national and European public authorities, to give an advisory opinion on laws and regulations impacting the ESS; to promote the ESS among youth and to ensure gender equality in the ESS.
- ✓ **The French Chamber of Social and Solidarity Economy** ensures the representation and the promotion of the social and solidarity economy on the national level. It ensures representation of the interests of the social and solidarity economy to the national public authorities. The French state concludes an accreditation agreement with it. The French Chamber gathers the national organizations representing the various statutory forms of the social and solidarity economy and representatives of the “National Council of Regional Chambers of Social and Solidarity Economy”.
- ✓ **The National Council of Regional Chambers of Social and Solidarity Economy (CNCRESS)** brings together the Regional Chambers of Social and Solidarity Economy CRESS (which brings together unions, federations and companies of the social economy in a region) to structure their network and to facilitate and promote the development of the ESS in regions.
- ✓ Many other organisations represent the main families of the social and solidarity economy to the public authorities. They represent and promote the characteristics of their specific field and their involvement in the development and promotion of the social and solidarity economy. They federate most of the main national groups, composed of several federations, unions (etc.) such as the General Confederation of SCOPS (cooperative and participative societies), French Federation of associations for the protection of nature and the environment etc. These organizations are almost always in direct or indirect link with the organizations mentioned above.
- ✓ In the Hauts-de-France region, there is also **the “Social Entrepreneurs Movement” (MOUVES)**, created in 2010, which is the first movement of social entrepreneurs in France. Its aim is to become a large citizen movement for social entrepreneurship. It federates and improves social entrepreneurs and raises awareness the public to the cause of social entrepreneurship.
- **Different funding supporting the social and solidarity economy:**
  - ✓ **Local level:**  
**The local authorities purchases have to be socially responsible and have to support the local sustainable development.** A decree, published on 2015, sets a threshold of 100 million euros, excluding taxes, beyond which public purchasers are required to adopt and publish a scheme to promote socially responsible public procurement. It also specifies the contracts and contracts to be used by the communities concerned to determine the amount of their purchases.  
**The Hauts-de-France region has set up several financial aids for social entrepreneurship**, such as the social innovation aid, the creation of ESS structures aid or the emergence of ESS structure aid.
  - ✓ **National level :**  
**The ESUS (Solidarity Company of Social Utility) accreditation** enables organisations of the social and solidarity economy to benefit from specific financial assistance and funding, such as an access to solidarity-based employee savings and tax reducing.  
**The NovESS.** In 2016, the “Caisse des Dépôts” launches with private and public players (BNP Paribas, Cardif, CNP Assurances, Crédit Coopératif, Ircantec and Mutuelle National

Territoriale), this new investment fund of 100 M € to support ESS organisations on project covering the social, medico-social and energy transition field.

**The Social and Solidarity Economy Loan (PESS).** BPIfrance created this loan to support the project development of ESS organisations. This loan supports the company's investment projects, supporting its development on the social, solidarity, environmental and participative sector. The amount of the PESS is between € 10,000 and € 50,000 (maximum amount up to € 100,000 in case of intervention by the Region).

**The crowdfunding** can be also a way for ESS organisations to be financially assisted.

✓ **European level :**

The European Union institutions agreed on a **EU programme for Employment and Social Innovation (EaSI)** with a proposed budget of € 815 million for the 2014-20 period. The aim is to support Member States efforts in the design and implementation of employment and social reforms from the European to the local levels.

Then different European funds can be used in favour of Social and Solidarity economy such as **the European structural and investment funds, the European social funds, the European Regional Development Fund** (etc.) but also programmes such as **ERASMUS +** or **INTERREG** projects.

- **An increase of ESS organisations:** according to the Minister for the Ecological and Solidarity Transition it represents almost 13 % of total private employment (depending on the region). The employment in the social and solidarity economy area is increasing: it increased of 24 % in the last ten years (and 7 % in the rest of the private sector). Here are the figures given by the Minister for the Ecological and Solidarity Transition:

#### ESS figures in France

10 % of GDP  
 200,000 companies  
 2.4 million employees  
 12 million volunteers  
 600,000 new jobs by 2020

- **The attractiveness of the social and solidarity economy:** a report called "2017 Barometer of social entrepreneurship" shows that the general public, especially young people are attracted by the ESS. According to the report 59 % of young people between the ages of 18 and 24 (and 41 % of the total respondents) are interested to work in the ESS field and 45 % (and 24 % of all respondents) to start their own activity.
- **The communication development about social entrepreneurship:** For example, a forum named "The 24h of Social Entrepreneurship!" has been organized for two years in Lille to allow the general public (entrepreneur, student, etc.) to become better acquainted with social entrepreneurship.

#### WEAKNESSES

- **A lack of notoriety:** According to the "2017 Barometer of social entrepreneurship", despite communication campaign, the sector still suffers from a lack of public notoriety. More than 1 French out of 3 has heard about "social entrepreneurship", and 2 in 3 about "social and solidarity economy" (ESS). Although this proportion has been growing every year since 2008 for social entrepreneurship, it remains low (from 15 % to 37 % today). Moreover, it stagnates at 61 % for the ESS. The sector development suffers from this lack of recognition or understanding.

- **A lack of funding:** According the same report, the social entrepreneurs consider that the lack of funding is their main drag despite the existing aids. To compensate this lack, many social entrepreneurs are more and more to using and looking for private funds.
- **A lack of partnership with companies**
- **The complexity of administrative and legal issues:** All these lacks could be partly explained by a lack of transparency of the social entrepreneur support systems.
- **Divergence of opinion:** the priorities are not seen in the same way between social entrepreneurs and the public. For example, the report shows that in 2015: the general public considered that unemployment is the main problem to resolve (54 %), then crime (32 %), poverty (31 %) and education (23 %). On the contrary, the entrepreneurs thought that climate change and social cohesion (44 % and 43 % respectively) are the main challenges.
- **An ESS anchorage too local:** Social and solidarity initiatives are often carried out at the local level, which sometimes does not favour the sharing of experiences between regions and which does not make it possible to globalize this experience at a national level.

#### OPPORTUNITIES

- **Create more jobs** than classic enterprises
- **Support socio-economic innovations and open new fields of transformation of our societal models:** local services, short circuits, organic peasant agriculture, local development, fair trade, solidarity finance, culture, popular education, transport, housing, employment, handicrafts and local industries, new technologies (etc.) and thus **respond to territories and cities challenges** (such as pollution, exclusions, discriminations, unemployment poverty etc.)..
- **Mobilize citizens and support citizen action around territorial issues.**
- **Create a link and improve the dialogue between citizens, social entrepreneurs, ESS organisation, public authorities.**
- **Improve and develop the skills, the employment and the economic situation of disadvantaged groups.**
- **Support a circular economy.**
- **Improve solidarity, trust and shared responsibility between citizens.**

#### THREATS

- **A decrease of government subventions:** the movement for social and solidarity economy warns on the fact that government had already decreases his subvention toward the ESS organisation but also toward the local authorities which are ones of the main contributor to the ESS<sup>1</sup> which lead to ....
- **An increase of difficulties to reach large funding amount:** the ESS organisation depends of their capital providers and it is more and more difficult to get large funding amounts which is essential to innovate and quickly conquer new markets.
- **Job suppressions:** associations defending the Social and Solidarity Economy worried about the recent removal of many subsidized employment contracts which represents an important threat for associations and ESS companies.
- **The increase of regional competition:** since the law on the new territorial organization in 2015, many elected officials deplore the competition between regions. Therefore, this competitive pitch does not promote collaboration between regions and does not promote an overall progress in the field of social innovation.

<sup>1</sup> Mouvement pour l'économie sociale et solidaire, « Lettre ouverte au gouvernement Philippe » <http://www.le-mes.org/Lettre-ouverte-au-gouvernement-Philippe.html>



## CHARACTERISTICS OF THE NATIONAL LABOUR MARKET

### The labour market in Slovenia

The labour market in Slovenia, that was on a downward spiral since the beginning of the economic crisis in 2008, is finally showing signs of improvement. A big problem continues to be the high age segmentation, which is reflected in low numbers of work active young and older people and a big number of long-term unemployed. At the end of January 2018, the Employment Services of Slovenia reported 87,919 unemployed, which is 3.4 % more than in December 2017 and 15.2 % less than in January 2017. The registered unemployment rate in Slovenia in January 2018 was 9.3% (SURS 2018, ESS 2018).

After the highest economic growth recorded in Slovenia in 2017 for the last decade, the experts also predict similar developments for 2018. The economic growth is predicted to be as high as 5.1% (UMAR).

Increased economic activity and optimism after a period of crisis, stable situation for the trading partners of Slovenia and the beginning of receiving funds from the EU's new financial perspectives, have had a favourable impact on employment. At the same time the decreasing numbers of unemployed is decreasing the scale of unemployment (EURES 2017). Even though Slovenia is ranked at place 13 among all the OECD countries based on the scope of unemployment, it still ranks lower than half of the Member States.

Slovenia ranks below the average of OECD countries in the area of disadvantaged groups. Therefore, Slovenia, in the desire to prevent the increase of unemployment in vulnerable groups, is facing the challenge of a better integration of social support and employment Incentives (OECD 2018). Social entrepreneurship also has a role in this. The incentives for employment of the most vulnerable groups in Slovenia are set out in the various documents, such as the labour market Regulation (ZUTD) and the Social Entrepreneurship Act (ZSocP) with its 37th Article. This way there are more opportunities in social entrepreneurship in Slovenia.

### The labour market in Italy

Italian labour market, as the rest of European countries, has been quite strongly affected by the economic crisis in 2007. In recent years, labour market conditions of OECD countries are improving and the average employment rate finally returned to its pre-crisis rate in the first quarter of 2017. In Italy, employment has almost come back to its pre-crisis level but at 49.9 per cent it is still the third lowest among OECD countries.

Furthermore, the unemployment rate at 11.1 per cent remains the third highest among OECD countries and 4.5 percentage points higher than its pre-crisis level. Italian labour market performs poorly in terms of employment and unemployment. Italy is just above the OECD average only in terms of earnings quality. During the past decade, Italy has shown some improvements, with a decline in the share of workers experiencing job strain as well as a reduction in the employment gap for potentially disadvantaged groups. In particular Italy has made remarkable improvements in the employment gap for older workers and, less starkly, for mothers with children.

However, the recovery in Italy remains very uneven across different groups within the workforce. The degree of inclusiveness of the Italian labour market is also below the average. The employment gap of potentially disadvantaged groups, such as mothers with children, youth who are not in full-time education or training, older workers, non-natives, and persons with partial disabilities is the fifth highest among OECD countries.

**Italy still needs implement the Jobs Act** and, in particular, strengthen activation policies in order to avoid the risk of further increasing the share of long-term unemployment.

In these circumstances, social entrepreneurship gives an occasion to create new job positions, support self-employment initiatives and economic activity and in this way contribute to the improvement of problematic situation in Italian labour market and economics as whole.

## The labour Market in France

The economic crisis that affected all European markets starting from 2007 seems more difficult to overcome in France compared to other countries. In fact, France is one the OECD countries which unemployment rate is still superior (9.5 % April 2017) to the rate of March 2008 (7.3 %).

According to OECD estimation, unemployment should decrease by the end of 2018. New labor market reforms should be discussed in Parliament in spring 2018. Unemployment benefits are to be extended to the self-employed and employees who resign. Nevertheless job-search controls will probably become stronger.

Today we can notice in France a polarization tendency in the labor market. For instance, available job positions are mainly for two categories of people: highly-qualified and with no qualifications at all. By consequence it becomes more and more difficult for people with an intermediate qualification to find a job. Moreover labor market expectations are growing faster, so lots of people are forced to accept less qualified jobs which also represent a threat for no qualified people that will have more difficulties to access a job position.

The aim of social entrepreneurship is to create a profitable or cost-efficient economic activity responding to social and environmental needs in the framework of a private initiative serving the general interest. The emphasis is thus placed on the combination of economic efficiency and a social objective, with the purpose of reinvesting economic surpluses into the social mission. In France, however, this notion is closely related to that of social entrepreneur. The change of context, the crisis of the welfare state and the orientation of public policies towards the creation of new markets have produced the conditions for the advent of social entrepreneurship. This is a French opportunity in the future.

## REGULATIONS OF SOCIAL ENTREPRENEURSHIP

### Social entrepreneurship in Slovenia

Social entrepreneurship had not been identified as an important sector for the social economic development in Slovenia till a few years ago. The sector received a visible push and gained on importance in Slovenia with the implementation of the Social Entrepreneurship Act (ZSocP, Ur. No. 20/2011) in 2011.

According to the records on social enterprises, supervised by the Ministry of Economic Development and Technology, there were 258 business registered as a social enterprise in February 2018. These include societies, institutions, foundation, companies, cooperatives and limited liability companies (d.o.o). This number is small compared to the numbers on an international level, that indicates that 4.5% of the European active population is involved in social enterprises (OECD, LEED).

In Slovenia, social entrepreneurship is linked to the non-profit sector. In the Social Entrepreneurship Act (Official Journal of the Republic of Slovenia, No. 20/11), social entrepreneurship is defined as "the permanent pursuit of entrepreneurial activity by the production and sales of products or the provision of services on the market, where profit making is not the main objective of entrepreneurial activity, but to help society through entrepreneurial activities". A social enterprise is a non-profit legal entity that acquires the status of a social enterprise and can be a society, institute, foundation, company, cooperative society, European cooperative society or other legal entity governed by private law, that was not established with the sole purpose of making profit and in turn doesn't share its profit, nor does it share the revenue generated over the expenditure.

The target groups of employment in social enterprises are, in particular, vulnerable target groups who are a part of the social entrepreneurship sector with the purpose to improve their employment opportunities, acquiring and upgrading their knowledge, competence, skills, and craft; improving opportunities of vulnerable groups (disabled people, alcohol and drug addicts, long-term unemployed, elderly unemployed people, members of certain ethnic groups, welfare recipients, etc.)

The activities of social entrepreneurship are rather wide-ranging and cover various fields: health care, social care, ecology, tourism, youth work, science, health protection, culture, salvaging, sports, etc. They are defined by the Social Entrepreneurship Act (Official Journal of the Republic of Slovenia, No. 54/12, 45/14 and 13/18).

The Ministry for Labour, Family, Social Affairs and Equal Opportunities promotes the development of social entrepreneurship through public tenders co-financed by the European Social Fund. In the 2014-2020 period, the Fund will provide funding of € 80 billion for on-the-job training and job search, promoting social inclusion and improving education and training.

Social enterprises can apply for public tenders of an active employment policy aimed at increasing the employment opportunities of unemployed persons. The current tenders are published on the website of the Employment Service of Slovenia. For each tender, specific conditions for contractor (Ministry of Economic Development and technology) are specified in the tender documentation.

The most important documents that regulate social entrepreneurship in Slovenia are:

- **The Social Entrepreneurship Act and the Amendments to the Social Entrepreneurship Act** (eliminates certain shortcomings) systematically define the sector of social entrepreneurship. It is also supplemented by the Rules on the Monitoring of the Business of Social Entities, (its annex is the sample of the agreement that is required by the 14<sup>th</sup> Article of the Act – The founders of a company or the competent authority of a non-profit entity agree that their aim is to establish a social enterprise). The activities of social enterprises are set out in the Social Entrepreneurship Act and the Amendments to the Social Entrepreneurship Act; and the specifics of accounting in social enterprises are set out in the document SRS 40 - Accounting Solution In Social Enterprises.
- **Strategy for The Development of Social Entrepreneurship for the period 2013-2016.** Measures for the implementation of the implemented strategic goals are defined in the Program of Action 2014-2015 for the implementation of the Social Enterprise Development Strategy for the period 2013-2016. The strategy defined the foundations of social entrepreneurship development in Slovenia.

- **Social Economy Development Strategy 2017 – 2027** (in progress).

A major shift is the Act Amending the Social Entrepreneurship Act (ZSocP-A, Official Journal of the Republic of Slovenia No. 13/18), which was implemented at the beginning of 2018. The new law amends certain shortcomings:

- ✓ a requirement that social enterprises must employ at least one worker in the first year of its operation and at least two workers in subsequent years. (the crucial condition for employment in the social enterprise is the sufficiently large volume of revenues generated by it on the market)
- ✓ eliminates the restriction on the registration of the status of a social enterprise for disabled persons and employment centers,
- ✓ Does not distinguish between social enterprises of type A and B,
- ✓ positive social impacts are provided either from the title of the business activity or from the title of employment of hard-to-employ persons.

By the end of 2020, various financial measures are anticipated to promote the development of social economy, which is related to the field of social entrepreneurship:

- The Financial Perspective 2014-2020, provides 45 million euros in non-refundable aid and 11 million euros in refundable aid which aims at promoting the development social economy.
- Support for social enterprises in the start-up phase for the 2016-2020 period (EUR 3 million).
- Support for learning-manufacturing laboratories (Fab labs), 3 pilot projects (EUR 2.3 million) and 10 regional learning laboratories (EUR 1.3 million).
- Support for the establishment of regional support networks and mentoring programs for social economy enterprises for the period 2016-2020 together (EUR 6 million).
- Support for the establishment of cooperative business models (EUR 4 million) for the development of business processes to raise energy and material efficiency (energy cooperatives).
- Creation of financial instruments for social enterprises and workers' purchases (EUR 6 million of return on assets).
- Support for "learning" social enterprises for the training of vulnerable groups in the labour market (deficient professions, ...) for the period 2016-2020 (EUR 20 million).
- Support to the implementation of innovative programs for social inclusion, deinstitutionalization and development of social welfare services for social economy enterprises for the period 2016-2020 (EUR 10 million) - Support to the development of social entrepreneurship in rural areas.

The development of social entrepreneurship in the future is hard to predict. It will mostly depend on the already announced financial incentives and tenders, and the easing of bureaucracy (simpler management and governance, less bureaucracy, support for social start-ups, local incentives, etc.). We have a well-diversified social economy, which is reflected in a large number of civil society organizations and the future of social entrepreneurship will depend on a friendlier and stimulating business environment. At the same time, it should not be more demanding and restrictive than for profit-oriented entrepreneurship.

How to establish a social enterprise?

The status of a social enterprise can be acquired by non-profit legal entities (e.g. Society, institute, foundations), as well as companies, cooperatives or other legal entities not established with sole purpose

with obtaining profit if they fulfill the conditions of the Social Entrepreneurship Act and the Amendments to the Social Entrepreneurship Act.

<b>Founders</b>	The status of a social enterprise can be acquired by non-profit legal entities (e.g. Society, institute, foundation), as well as companies, cooperatives or other legal entities not establish with sole purpose with obtaining profit if they fulfill the conditions of the Social Entrepreneurship Act and the Amendments to the Social Entrepreneurship Act
<b>Authorized capital</b>	It's not mandatory, but when applying for the registration of your business you have to include proof of the funds/capital available to you for the start-up of your enterprise or the worth of the funds owned by the legal entity. A key condition for employment in a social enterprise is the sufficiently large volume of revenue generated by the market.
<b>Name</b>	In its legal transactions, your business has to use the company name or the name together with the note 'social enterprise' or the abbreviation 'so.p.'.
<b>The start-up process of social enterprises</b>	<p>To acquire the status of a social enterprise, you will have to establish a non-profit entity that intends to operate as a social enterprise and apply for registration.</p> <p>Both procedures (i.e. the process of establishing and the process of obtaining a status) can be triggered at the same time, which means that the authorities that are responsible for registration will also assess the fulfillment of the conditions for acquiring the status of a social enterprise.</p> <p>In addition to the contents and annexes specified by special regulations, the application for registration of a non-profit legal entity, which intends to operate as a social enterprise, must include, the following:</p> <ul style="list-style-type: none"> <li>• the decision of the founders or the competent body of a non-profit legal entity that it intends to operate as a social enterprise,</li> <li>• personal names, Unique Master Citizen Number, proof of citizenship and the permanent or temporary address of residence for everybody who has the power to represent and the extent of their powers,</li> <li>• Proof of the amount funds of available for the start-up of your enterprise or the worth of funds owned by a legal entity.</li> </ul> <p>The same content should also have an application for the amendment for the establishment of the social enterprise (main act), which transforms a non-profit legal entity into a social enterprise.</p> <p>The application must be submitted to the competent registry authority, which depends on the main legal and organizational form:</p> <ul style="list-style-type: none"> <li>• for societies: municipalities,</li> <li>• for an institution, a company, a cooperative: a district court,</li> <li>• for the foundation: the line ministry.</li> </ul> <p>The authority responsible for the registration must immediately forward one copy of the act to the Ministry of Labor, Family, Social Affairs and Equal Opportunities, for the establishment of a record of social enterprises and so it can be supervised</p>



<p><b>Act on Establishing a Social Enterprise</b></p>	<p>The act must:</p> <ul style="list-style-type: none"> <li>• define the method of managing a social enterprise on the basis of the principle of equality,</li> <li>• identify the persons responsible for managing the implementation of social entrepreneurship activities and the conditions for their appointment, or the election and responsibilities,</li> <li>• to designate the supervisory authority and the method of election or appointment of members of the supervisory body, the term of office and their powers, powers and responsibilities,</li> <li>• determine whether a social enterprise includes volunteers,</li> <li>• determine the method of participation of stakeholders (i.e. employees, volunteers) in management (consultation, mandatory opinion, etc.)</li> <li>• to set the rules for keeping accounts and the preparation of the financial statements of a social enterprise or to set rules in a separate act and</li> <li>• to determine the conditions for the status transformation of the social enterprise and the disposal of the assets of the social enterprise in case of a termination.</li> </ul>
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## Social entrepreneurship in Italy

Social enterprises in Italy adopt a variety of legal forms, although social cooperative is the most commonly used legal form. There has been an extraordinary increase in the number of social cooperatives following the enactment of the Law on social cooperatives. The number of social cooperatives has increased from little over 2,000 before the introduction of the Law to 11,264 two decades later (2011).

The social enterprise ex lege status has been comparatively less successful for several reasons:

- The length of the administrative process required for registration;
- The costs and extra responsibilities imposed by the law e.g. minimum capital requirements, social reporting requirements etc.;
- The absence of fiscal benefits (whereas fiscal incentives are available to social cooperatives).

In Italian context, social entrepreneurship is often refers to the **non-profit** sector. The term social enterprise was first used in Italy in the 1980s as a term describing the innovative private initiatives established by volunteer groups with the aim of delivering social services or facilitating the integration of disadvantaged people in the labour market. These initiatives were initially set up using existing **non-profit legal forms**, but obtained their own distinct legal identity when the **Act on Social Cooperatives** (legal status) was passed in **1991** (Law no. 381/1991). In 2006, the **Law on Social Enterprises** (Law no. 155/2006) was introduced. An important revision of the third sector and especially social enterprises took place in 2017 by **The Code of the Third Sector** (Law no. 112/2017).

Italian legislation on social entrepreneurship comprises:

- **The Law on Social Cooperatives (1991)** created a new form of cooperatives. In contrast to traditional co-operatives who are primarily oriented towards serving the interest of their members, social cooperatives pursue social or general interest aims. The law distinguishes between social cooperatives providing social, health and educational services (defined by law as type A social cooperatives) and social cooperatives integrating disadvantaged persons into jobs (type B social cooperatives).

- **The Law on Social Enterprises (2006)** provides a legal definition of social enterprise and specifies the criteria that an organisation must comply with in order to be legally recognised as a social enterprise. It does not create a new legal form, but a legal status or 'label' which all eligible organisations can obtain regardless of their ownership or organisational structure. Eligible organisations could in theory be traditional cooperatives, social cooperatives, investor-owned firms (i.e. share companies) or traditional non-profit firms (i.e. associations and foundations).

The Law on Social Enterprises does not create a new legal form or a new type of organisation, but allows an organisation to be legally recognised as a social enterprise regardless of its legal form

- **The Code of the Third Sector** (Law no. 112/2017 - Codice del Terzo settore, a norma dell'articolo 1, comma 2, lettera b), della legge 6 giugno 2016, n. 106) revised previous jurisdiction on social enterprises. In Italy, the social enterprise - already the subject of the law no. 155/2006 was explicitly repealed and is now regulated by Legislative Decree 112/2017. The Code of the Third Sector, as part of the general reform of Italian Third sector in, aims to fill the gaps of the previous legislation in order to re-launch the social enterprise as an organizational model of the Third sector.

The law introduced a broader category of enterprises with non-profit scope of solidarity and public utility called Third Sector Bodies - namely: voluntary organizations, associations of social promotion, cooperatives and social enterprises, associate networks, philanthropic associations and associations of mutual benefit. The choice of the legal form of the social enterprise depends on the specific needs underlying its constitution. The non-profit category (ONLUS) does not enter the classification of the law no. 112/2017 as it is linked exclusively to the tax qualification of the subject.

In order to acquire and maintain the status of "social enterprise" referred to in Legislative Decree 112/2017, social enterprises must carry out a certain activity for the purposes and methods established by the law. Here are some of them:

- It is a private legal entity.
- The business activity must be of general interest. The law provides a list of business activities that are considered to be of general interest for the purpose of the law in question. The list will be regularly updated.
- As general interest is considered also employment of disadvantaged workers in the minimum of 30% of workers.
- The aim of the enterprise must be related to the provision of socially useful goods or services and the percentage of revenue generated by the principal activity must not be less than 70%.
- The law refers to the absence of profit in social enterprise, however the absence of profit is not total as the law gives direction to the destination of profits and management surpluses. For example, it is forbidden for the social enterprise to remunerate its directors or stakeholders beyond certain thresholds identified by the law.
- Another section of the law deals with the governance of the social enterprise. It establishes common basic rules that every social enterprise, regardless of its legal form, must follow to keep the social status.
- For the sake of transparency and accountability, the law requires social enterprises to draw up the financial statements and the social reports yearly.
- To ensure the participatory character of the social enterprise, involvement of workers, users and other stakeholders is required.



### Fiscal and financial regulation – Revisions by the Law 112/2017

The reform of the third sector intends to contribute to the "take-off" of the social enterprises in Italy by revising the condition of financing and profit sharing make social enterprises more "attractive".

- 1) The first tax measure envisaged by art. 18 is the deduction of the profits and operating surpluses allocated by the social enterprise to carry out the statutory activity or to increase the assets.
- 2) The second tax measure (paragraphs 3-6) borrowed from the discipline of innovative start-ups and innovative SMEs is the tax deduction or the deduction of 30 % of the investments in the social capital of a social enterprise in a corporate form (also cooperative).
- 3) The third measure (paragraph 8) consists of the extension to social enterprises set up as companies (also cooperative) of the possibility to raise risk capital through online platforms (so-called crowd funding).

### Social cooperatives - Revisions by the Law 112/2017

The Code of the Third Sector affirms that social cooperatives (*cooperative sociali*) are still mainly governed by the law no. 381/1991, even though some regulations of the law 112/2017 will be applicable for social cooperatives as well.

Main activities undertaken by social cooperatives in Italy are:

- Social, health and educational services (type A)
- social cooperatives integrating disadvantaged persons into jobs (type B)

As compared to the social cooperative legal form, the **social enterprise** legal category covers a wider range of activities, namely:

- Social and healthcare services
- Environmental protection and protection of ecosystems
- Valorisation of cultural heritage
- Research
- Extra-curricular education and training
- Social cooperation and development
- Trade based on equality and solidarity
- Social agriculture
- Management of amateur sports activities
- Humanitarian reception and social integration of migrants
- ....

Social enterprises operate with a different set of objectives that the commercial world where profit maximization is the core objectives. The general aim of social entrepreneurship is to help solve a complex social problem (mostly local) that doesn't have a single solution and positive social or environmental impact is the basis of their existence. However profit-making is still essential for survival and long-term sustainability of the business.

The objectives of a social enterprise may be summarised as followed:

- Designing operations for double bottom line profit and social impact.
- Innovation focused on local social or environmental problems.
- Institutionalizing impact.



- Scaling up to reach more beneficiaries or customers from the bottom of the pyramid to maximize impact.<sup>2</sup>
- Creating new job opportunities within the field of social entrepreneurship.
- Introduction of new efficient ways of using and managing modern energy and natural resources.
- Creating a network for improving services with a sense of social awareness.

How to establish a social enterprise?

Social Cooperatives	
<b>Legislation</b>	Act on Social Cooperatives 1991 (Law no. 381/1991) – ( <i>Legge n 381 del 8 novembre 1991, Disciplina delle cooperative sociali</i> )
<b>Establishment</b>	<p>To establish a social cooperative, you will need <b>9 members</b>, both legal and natural, who will form the society, the association. If you cannot reach this number, you can think of setting up a small cooperative society. It must not only consist of at least <b>3 natural persons</b>, up to a maximum of eight.</p> <p>In order to be legally recognized, the co-operative must be set up by a public act, which means that it is necessary to present it to a notary and sign a constitutive act specifying the main characteristics of the cooperative.</p> <p>Within following 20 days, the official status will be confirmed. The status includes a series of information: the association's name (including "Social Cooperative"), the social object, information about the capital stock, the role that each partner in the cooperative, the type of responsibility, the duration of the company, how will the assemblies of the cooperative be held, the conditions for admission, withdrawal and exclusion of members from the social cooperative. All of these regulations can be established between the members themselves. However, if you are a "beginner", you should ask for a notary's assistance.</p> <p>Within 30 days, the notary will hand over the constitution to the Chamber of Commerce. The cooperative will be approved directly in the Register of Companies by the Court. The notary must also report to the Direct Tax Office the creation of the company. Then a lawyer representing the cooperative must communicate the commencement of the activities to the Office of VAT. Once all these steps are completed, you can start your business!</p>
Social Enterprises	
<b>Legislation</b>	<b>Law on Social Enterprises 2006</b> (Law no. 155/2006) - ( <i>Decreto Legislativo 24 marzo 2006, n. 155 "Disciplina dell'impresa sociale, a norma della legge 13 giugno 2005, n. 118"</i> )
<b>Establishment</b>	The social enterprise is defined as a qualification which may be attributed to bodies which apply for it. Examples of the types of the qualifications are listed in the Books I and V of the Italian Civil Code ( <i>Codice Civile</i> ) such as associations, foundations and committees and companies and consortia. The aim of the enterprise must be related to the provision of socially useful goods or services and the percentage of revenue generated by the principal activity must not be less than 70%.

<sup>2</sup> Potdar R. (2016). *What are the objectives of social entrepreneurship?* Quora [online]. [Accessed: 2017-09-25]. Available online: <https://www.quora.com/What-are-the-objectives-of-social-entrepreneurship>

First of all, the documents and procedures cited above will only be procured if the status of a social enterprise has been recognised and must therefore be added to those that the law normally provides for the establishment of the various entities involved. Approved fields of social enterprises include activities from social and sanitary assistance to school education and extra schooling, protection of the environment and artistic cultural heritage. Finally, if the business is found as useful for the society, significant incentives and facilitations can be obtained.

To receive the status of a social enterprise, its founding must be made by a notarial act or a written authenticated private contract. At the same time, we must not forget the social object and the non-profit purpose, as well as the denomination of social enterprise. Another important document is the Articles of association (*lo statuto*), in which the rules of operation of the enterprise and its constituent organs will be explained.

To become recognized as a Third Sector Body, it is necessary to register with the **National Register of Third Sector**, established at Ministry of Labour and Social Policy.

**Non-profit Organisation**

**Establishment**

The term “non-profit organizations” refers to activities that intend to help the community without producing a profit for the owners, meaning it is of non-commercial nature.

There are more different types of non-profit organizations in Italy – association (*associazione*), foundation (*fondazione*), onlus (*onlus*), association of social promotion (*associazione di promozione sociale*) or committee (*comitato*). The legal form then determinates the benefits from certain fiscal advantages which you can take advantage of.

The statute for this type of association governs the regulation internally. You will need to determine who should be the legal representative and what rules need to convene the assembly. At this point you will have to request for the VAT bill (*partita IVA*). This can be done also via computer (*telematica*), avoiding going personally to the Income Agency offices (*Agenzia delle Entrate*). Within 20 days you will have to do the registration of the act relating to the constitutive status.

The law on volunteering also requires that the statute bears the obligation to form the budget: all assets, including legacies, must be able to be drawn from it. In addition, non-profit association has to publish annual reports. Non-profit organizations in Italy, in order to obtain the approval of the Ministry, must submit the annual accounting report for the last 3 years.

Note that before founding a non-profit association, you need to be sure that there aren't similar organizations in your area. If there already are suchlike services, unfortunately, it will be harder to get the necessary support.



## SOCIAL ENTREPRENEURSHIP IN FRANCE

Social entrepreneurship is a way of doing business that places economic efficiency at the service of the general interest. There are several different legal status of organizations operating in the social economy sector, i.e. nonprofit association, foundations, cooperatives, mutual funds and commercial enterprises recognized as serving the public good.

Whatever their legal status their leaders make profit a means, not an end in itself. They share common values as helping people in difficulty, fighting against discriminations or promoting the participation of employees.

The notion of social enterprise is very particular in France and does not only include the notion of social, but also the notion of solidarity. In fact, social entrepreneurship is known in France with SSE acronym which means Social and Solidarity Economy.

Today, the SSE sector represents 10 % of the French GDP and 12 % of the employments. We count 200 000 enterprises and 2.36 million of people working in this sector. This sector showed a particular resistance during the last economic crisis. When the economic classic sectors decreased, the SSE was in constant growth. Since 2000 the employment rate in classical economic sectors increased of 4.5 %, while the employment rate of SSE increased of 24 %.

This new economy is formally recognized through the **SSE law of July 2014**.

The law establishes three conditions as founding principles of the ESS:

- ensure participatory governance, not exclusively linked to capital contributions;
- limiting profitability by directing the surplus earned in favor of the activity and its development;
- pursue a goal other than the sharing of benefits alone.

Associations, cooperatives, foundations and mutual societies have to meet these conditions and acknowledge them in their status. Commercial companies wishing to integrate the ESS will have to change their statutes so that they also ensure participatory governance (1) and limited lucrativeness (2). They also have to provide further proof of their social utility (3).

There are five objectives of this law :

- Giving a specific status to social enterprises and make easier to access public and private funds;
- Creating a federation of actors and the French Chamber of SSE;
- Promoting democracy in governance as one of the pillars of the model;
- Simplify the procedures to create cooperatives making them more performant;
- Reinforcing the policies of sustainable and local development.

If in the classical sectors the majority of jobs are detained by men, in the SSE 54% of managers are women and 66% of total job positions are detained by women. SSE organizations are also engaged in promoting the access to labour market to people with fewer opportunities. 95% of SSE jobs come from the third sector and they can operate in a varied context.

Nevertheless the importance of SSE sector is particularly relevant in the following fields of activity where the SSE jobs represent a high rate:

- 65 % in the social sector
- 35 % financial activities
- 25 % sport
- 21 % education

- 21 % culture and audiovisual
- 11 % health.

How to create a social enterprise and receive the ESS certification (ESUS)?

<p><b>Creation steps</b></p>	<p>The creation of a social enterprise is quite similar to the creation of a classical business, with some differences and particularities.</p> <p>First of all, it is necessary to make a market research, to establish a business plan, to find funds for the creation and to choose the juridical status. Nevertheless, since the social impact is more important than the economic result it is necessary to adapt the preparation and to orient the research to highlight the social impacts of the project.</p> <p>The project should be able to tackle with one of the societal issues like creating sustainable job position, developing social links, fighting against discriminations, etc. Innovation is a key element for social enterprises, so projects which aim is creating a more inclusive and sustainable society will be well received by institution and donors.</p>
<p><b>Choice of the legal status</b></p>	<p>According the 2014 law on SSE, all members should agree on the choice of the legal status. Different choices are available:</p> <ul style="list-style-type: none"> <li>• <b>Association</b> (1991 law on association) According to 1991 law, an association is a convention signed by at least 2 people that decide to get engaged to share their knowledges to reach a nonprofit objective. Each association defines herself in a document called “statuts” that have to be completed with at least 3 elements: the name of the association, the administrative center, and the general objectives</li> </ul> <p>The associations that choose to declare themselves in an administrative center may pretend to public and private funds, open a bank account and become an employer.</p> <ul style="list-style-type: none"> <li>• <b>Cooperative</b> (Law n° 47-1775 – 1947) A cooperative is an organization of people willing to satisfy their social and economic needs by sharing their means. Cooperatives can be active in all fields of activity. Each cooperative has to comply with the following principles:             <ul style="list-style-type: none"> <li>✓ Memberships are voluntary and open to everybody</li> <li>✓ Governance must be democratic</li> <li>✓ Each member has to participate financially to the project</li> <li>✓ Members have the right to be provided with trainings</li> <li>✓ Cooperating with other cooperatives</li> <li>✓ Economic surplus should be used for the development of the organization</li> </ul> </li> </ul> <p>According to the law it is possible to constitute different types of cooperatives. The most common are:</p> <ul style="list-style-type: none"> <li>✓ SCOP (Loi n° 78-763 July 1978) A mixed group of people decide to come together to practice their jobs in a company they run directly</li> <li>✓ SCIC (Loi n° 2001-624 July 2001)</li> </ul>

	<p>The objective of a SCIC is to provide goods and services for the collective interest, as for example a solidary or development aid project.</p> <ul style="list-style-type: none"> <li>✓ SEC (UE regulation No 1435/2003)</li> <li>✓ CAE (July 2014 law)</li> </ul> <p>It is a type of cooperative useful to launch an entrepreneurship project. It helps the creation and development of economic activities because CAE entrepreneurs are considered as employees. They receive a salary to work and develop their project and once their activity is launched they become members and financially contribute to the functioning of the organization.</p> <ul style="list-style-type: none"> <li>✓ SCE</li> </ul> <p>The European Cooperative Society is a European co-operative type of company, established in 2006. European Cooperative Societies may be established, and may operate, throughout the European Economic Area. This type of cooperative is particularly useful for projects involving more countries inside the EU.</p> <ul style="list-style-type: none"> <li>• <b>Mutual Fund</b> No profit organizations promoting the general interest of its members who pay a subscription and receive a service in return. This type of organization is particularly used in the insurance and prevention fields.</li> <li>• <b>Foundation</b> When creating a foundation, physical individuals decide to irrevocably engage some resources for the realization of a general interest work. A foundation is a nonprofit legal entity. The most known type of foundation in France is RUP, that is a foundation for public interest. This legal status makes it possible to apply for funds as well as selling goods or organizing events.</li> <li>• <b>Fair trade enterprises</b> These enterprises are often for-profit, however they belong to the SSE sector because they act for social interests. In this category we find companies promoting the accessibility of work for disable people or more in general for people having difficulties to enter the market labour.</li> <li>• <b>Commercial society</b> 2014 law on SSE open the doors of social enterprises to commercial societies as well. They can apply for the ESUS certification if they comply with the principles of democratic governance and profits 'sharing.</li> </ul>
<p><b>Criteria to obtain the ESUS certification</b></p>	<p>In order to be recognized as SSE and take advantage of funds allocated to these enterprises, ESS organizations have to meet some criteria:</p> <ul style="list-style-type: none"> <li>• The main aim of the enterprise must be social (helping people in difficulty, promoting local cohesion and sustainable development)</li> <li>• In the income statement the cost for the social utility has to be superior to the others costs</li> <li>• Accept the limit of profit per year established by the law</li> <li>• Ban on negotiating equities on the financial markets</li> </ul> <p>Some organizations can receive automatically the certification as their activities meet clearly the SEE objectives.</p>



## FROM THE IDEA TO A SUCCESSFUL ENTREPRENEURIAL STORY

And we are finally here. After taking a closer look at SWOT analysis as well as the legislation of each country, that unfortunately cannot be avoided, we will finally show you how to develop your idea to a successful entrepreneurial story. We have gathered some crucial information that is essential for your first steps in social entrepreneurship. We believe that with our help you will find a great opportunity for your career path.

### Idea, vision, mission

Hey there! Are you thinking about developing a service that has a positive impact on other people's life? If you are trying to find answers to social problems, whilst also making a profit and reinvesting it, you might be a good candidate to start your own social enterprise!

This section of the manual will help you develop and refine your own entrepreneurial idea; it will explain the purpose of a vision and a mission of a social enterprise and give you some advice on how to create a vision and mission statement. Finally, you will learn about the added value of social entrepreneurship. This section is meant to be a concise overview. However, at the end, you will find some useful links to get your research going, so that you will all be ready to bring your entrepreneurial idea to life!

Are you good to go? Great! Let's get you started.

Your idea: the start of your social enterprise

What was there first? The hen or the egg? This question is up to debate. When it comes to social entrepreneurship, however, you will get a more clear answer of what comes first: of course, you first need to come up with an idea. This idea can then be improved and developed, and finally be built into a business plan. Try to think of a social entrepreneur's idea in three steps: "First the need, second how it can be addressed, and third what can be achieved". Concerning the development of your idea, it can be helpful to work along several questions (listed below). Even if you already have an idea, read and think about these questions:

- 1) What needs changing?
- 2) Says who?
- 3) Is it a critical need?
- 4) What would you like to improve here?
- 5) How would you do it?
- 6) What will impact your idea? (obstacles, opportunities, other factors)

In order to find out whether your idea will work, you will have to do some research: through primary research, you can find out what your beneficiaries' needs are. You could for instance conduct a survey or organize a meeting asking people about your idea. Don't hesitate to ask your friends, family, teachers or other people whose opinion you hold dear and respect. This may also help you to start networking, spreading your idea and maybe finding a future business partner, supporter or client. Analyse their feedback and reflect on it critically and try to take the most of it. Another way of finding out about the needs is secondary research, which means that you look at already existing materials



that strengthen your idea. Browse the web for reliable sources, look at studies, read articles and books etc.

In general, it is important to keep in mind the people around your projects. On the one hand, try to find out who could have an interest in your enterprise, with whom you could cooperate, and who will be affected by your project. On the other hand, don't forget to find out whether other people had a similar idea in mind: These are your competitors.

As you might have realized, your idea is influenced by so many factors. Especially in social environments, these might change a lot and might be unpredictable. Still, don't let this discourage you to work on your idea and towards your vision!

#### Your vision: your dream

Through your vision, you can communicate the long term goal that you try to achieve through the work of your social enterprise, as well as hopes for the future. Remember that with the vision, you can think big: do not focus your vision too closely to the project or enterprise itself. Rather, "it might be worth thinking about the larger, systemic changes that could happen way down the road if your project was replicated across the country".

Through the vision, people also get to know the underlying values of your social enterprise. Try to create your vision statement in an inspirational as well as aspirational manner, so that people who can relate to your vision and would want to work with you, fund you, support you, use your services, etc.

As an exercise, you can try to write a vision statement in one sentence, in which you describe the long-term change, that you hope to achieve through your social enterprise's work. In the second step, discuss this vision with a group of people.

#### Your mission: your purpose

In contrast to the vision statement, your mission statement is a "clear and simple summary of what you do and why you do it". The mission focuses on internal workings and the aim of the project. Developing a mission thus helps you and your employees, volunteers and customers to understand the framework and the central purpose of your social enterprise. To create a powerful mission statement, try to be as clear and concise as possible. Maybe it might be helpful to try the eight-words mission statement method ("It's long enough to be specific and short enough to force clarity"), which should include "a verb, a target population, and an outcome that implies something to measure— [...] in eight words or less". Look at it and decide what you think about it? Maybe it can help to come to the core of your enterprise's mission?

Another approach to draft your mission could be to answer the following questions:

- 1) What do we do?
- 2) How do we do it?
- 3) Whom do we do it for?
- 4) What value are we bringing?

Usually, the given advice is to look at other company's mission statements. On the one hand, this might give you some inspiration. On the other hand, you can also use it as an exercise to figure out what you liked or disliked about other mission statements, and whether you think they answered the four questions from above. However, your mission statement doesn't have to be like everyone else's.

Also keep in mind that, in contrast to ‘usual’ businesses, social entrepreneurs have a social mission in mind that turns out to have a social value. Try to find out what fits best for you and the people who should benefit from your social enterprise, and start from there. At the end, it’s important to “achieve a balance in your social mission to ensure it is sufficiently tangible whilst also allowing scope for your business to develop”. This means that, in some cases, it might be helpful to include a certain geographical area in your statement because you may focus your social enterprise on a certain community; in other cases, this may turn into a disadvantage as your social enterprise might not be able to expand.

But: no worries. Your vision and mission don’t have to be perfect at the start. Yes, they are not easy to nail down and it will take a long time to be really clear and satisfied with your choice of words and structure. It can help to think of your vision and mission statements as “works in progress”. The chances are high that they will change again, but in any case, it is a good way to make things clearer, both for you and for the people or communities that you are targeting.

### Added value

When looking at all-profit businesses, their added value would be the profit that they will get out of their business. Concerning social enterprises, the added value is much more: it describes the benefits your social enterprise provides “in terms of its social and environmental impact”. Thus, it deals with the benefits for society or your target group that go beyond enterprise. This could mean you are bringing a positive impact to the region and/or community; you could serve as a role model for others, and grow professionally as well as personally.

Now you might wonder: “Well, this is already clear, isn’t it? – This is an intrinsic part of my enterprise anyways.” It is. You are right. However, it becomes more and more important to measure your social added value, so that you will have a proof of your impact. This will help you be more successful in convincing donors, funders, and commissioners that your enterprise’s work really contributes social added value.

### Let's summarise

Let’s quickly summarise what we have talked about in this section.

At the beginning of your social enterprise, you start with your idea. In order to find out whether your idea will work, consider answering several questions, and also research about the needs and about people who could have an interest in your enterprise. Through your vision, you can communicate the long-term changes that you wish to achieve through your work, whereas the mission gives a compact summary of the purpose of your work on a day-to-day basis. Try several methods to create your vision and mission statement and consider them as “works in progress”. Finally, through measuring the added value, you can proof the social and environmental impact that you are making. This is helpful to attract and convince donors, funders and commissioners.

However, enough with input! It’s up to you now to start (if you haven’t already) writing down your thoughts: Do you already have an idea, thoughts about your overall vision, about the mission of your enterprise and what added value it might bring? Do you have something that you would like to do further research on? In this case, we created a table for you in which you can put down your thoughts.

You can also look at some examples of other vision and mission statements (partly taken from [fruitmark.com](http://fruitmark.com)) here to figure out what you like or dislike about them:

**Fruitmark Vision:** To be a leading regional grower and supplier of fresh fruit and vegetables

**Fruitmark Mission:** To exceed the high expectations of our suppliers and customers

**Fruitmark added values:**

Service: Always strive for improvement

Quality: Maintain the various quality standards that are required by our industry

Integrity: Maintain a high level of integrity and ethical behaviour

People: To increase social inclusion

Here is the space to collect your thoughts:

<b>IDEA</b> <b>What you want to do?</b>	
<b>VISION</b> <b>What is your vision?</b>	
<b>MISSION</b> <b>What is your mission?</b>	
<b>ADDED VALUE</b> <b>What is the added value?</b>	
<b>ADDITIONAL THOUGHTS</b>	

**HOW TO CONDUCT A MARKET ANALYSIS AND TEST YOUR ENTERPRISE IDEA**

It is great! You have an idea, you developed your vision, mission and the added value you can bring to society through your idea. Now it is time to think about the methodology to build a successful project.

Social entrepreneurs wishing to develop their projects are called to write down a business plan accompanied by a market analysis. If this document is quite similar to the one developed in the classic economic model, it is necessary to point out some differences.



In order to succeed in your strategy, as a social entrepreneur you have to take into account some additional elements, for that reason you have to build a “social business plan”. For instance in the SSE model it is vital to talk about social impacts of the project and its innovativeness.

## Objectives of a social business plan

In the social business plan you have to establish a coherent plan taking into account the market, the decisions, the action plan, the team, the financial aspects and social objectives. You have to make important choices that will be useful for the administration of your organization later:

- Shall I use classical funds or philanthropic ones?
- To what extent my organization can have net margins?
- Do I have to choose only suppliers who are in line with SSE objectives?

The final objective of a social business plan is to find a balance between the wish to maximize the social impact of the project and the necessity to be financially sustainable in the long term perspective e. A well written social business plan will more easily open the doors to public and financial funds.

Qualities of a social business plan:

- Objectivity
- Clarity and precision
- Uniformity and professionalism

## The starting point of a social business plan: the market analysis

A key element of a successful business plan is a well conducted market analysis. *A market analysis is a qualitative and quantitative evaluation of the external market and your internal resources.* This analysis is crucial to understand in which context your project will be developed, who will be your customers and competitors, establish a marketing strategy and avoid be unprepared to face some problems resulting from the environment in which you operate.

## How can you organize your market research?

If you never did a market research, you may be a little lost among the information you find. We suggest you focus on three elements: the market, the customers and the competitors.

1. The market  
First of all you have to determine to which market you belong and you have to define the size, the growth rate and the trends. You also have to imagine the potential threats that will probably affect your market in the following years.
2. The customers  
Your product or service will certainly be more attractive for some categories of the population. Your task is to design the profile and the needs of your potential customer. That means you have to define the age, gender, income level, lifestyle preferences, etc. You also have to make an estimation of the number of potential customers you may have in a determined territory.
3. The competitors  
It is fundamental to analyze the competitors who operate in the same sector of you, what are the characteristics of the product/services they offer, what is their place in the market, their turnover, sales volume, price strategy, distribution channels they use, etc. You should also enquire about the existence of rights, patents or licenses.



If you do not know where to start, we suggest you ask yourself the following questions:

- What are the current economic conditions that my business is operating in? Are these conditions changing?
  - International, national, provincial and local economic conditions
- What trends are influencing the industry my business operates in?
  - Consumer preferences
  - Technological shifts
  - Prices for goods and services
- Are there international markets for my products or services that could help me to grow my business?
- What are the demographic characteristics of my customers or where do they live?
  - Populations, age groups, income levels, etc.
- What is the state of the labour market?
  - How many people have the skills I require?
  - How much should I expect to pay my employees?

### Methodology

You may find data collecting boring, but once again this stage is essential for the construction of your project and the results will give you the possibility to take a step back on your idea and be more critical while constructing your business plan.

Here below you will find some ways to collect data:

- Observation  
Depending on the product/service that you want to propose, it is possible to spend some time observing customers while buying similar products as yours.
- Surveys  
You can try a closer approach toward customers by making surveys. In the digital era you can easily do it online using tools such as Survey Monkey or AYTM and you can use the power of social media to reach a big audience.
- Online research  
Using key words on internet you will find researches, newspapers, magazines, trade journals and blogs that you may find useful. Moreover market research has evolved a lot over the last decade and today you can find online plenty of tools that will help collect data.

### How to successfully use data

At the end of the market research, you will have a big amount of information. In order to interpret data and get the maximum out of it, you can use some marketing tools.

#### SWOT analysis

In SWOT analysis you can categorize the information in 4 groups. Two components of SWOT, opportunities and threats, are specifically geared towards external market conditions.

<b>Internal</b>	strengths	weaknesses
<b>External</b>	opportunities	threats

#### PEST analysis

PEST analysis is a market analysis tool that takes external factors that can affect a business. The major factors are: politics, economic, social, and technological.



## TIPS FOR MARKETING AND SALES

When you have an idea and a team set up that is focused on a vision and mission, and have already registered the enterprise, it's time to deal with the areas of marketing and sales. Social enterprises are also market-oriented, which means that the production and sales of products or the provision of services on the market are done according to market laws. At the same time, remember that market orientation is not the main goal of the entrepreneurial activity of social enterprises.

There is a misconception that marketing and selling are the same thing. It is true that they are intertwined in practice, but in reality, they are two different areas. In reality, marketing provides us with potential buyers that were targeted for a specific offer. But then what? Marketing is not everything. It must be followed up by sales techniques and strategies. An those are the deciding factors that determine the final effect of the entire process.

Marketing is everything we do to help potential buyers to get acquainted with our offer and we shape it accordingly to the wishes of the consumer. Sales on the other hand just means what we actually sell a product. There are different marketing approaches (advertising, public relations, direct mail, e-marketing ...) to inform potential customers about why your offer is best suited for them and persuade them into returning for future purchases. In sales we have the opportunity to use the one-on-one communication approach (meetings, cold calls, networking, ...), which enables us to communicate with the customer on a personal level. Success in business requires both marketing and sales, it will depend on the complexity of the product or service in what proportion they need to be applied. The more difficult your offer is, the more difficult it will be for you to approach your customers with marketing only.

In order for the effects to be effective, it is important that you follow a specific set of rules when applying marketing and sales activities.

### What your customers really need?

It is necessary to answer 2 questions that are essential for the success of your business, namely what your customers really want or need and why your product is something unique in the marketplace. It is about the answers to important questions like: what the needs and problems of your customers are, what type of customers they are and why is your product or service so very important to customers that they are willing to pay for it.

### Who are your customers and target groups?

When you start your business, you have to decide who the product is aimed at? Choose your target group and remember to focus your product and marketing activities at this specific group. Your marketing and sales activities will depend on who you want to buy your product. If you grow and sell vegetables, you can offer your products to local kindergartens, schools, grocery stores, etc. You might even have your own shop.

### Where are your customers?

When you know who your customers are, you will also find it easier to decide where to advertise and how to promote your business. Therefore, when you decide who you want to sell your product to, you can begin to think about ways to inform these customers about yourself and your offer. Each activity requires a variety of marketing and sales approaches. Local growers of vegetables and fruits mentioned above will be able to notify the local residents about their offer on the local radio or with flyers in the



mailboxes. With schools and kindergartens, a business meeting will be set to determine the terms of the delivery.

### Create a brand

A brand is not only a logo but a set of impressions, experiences, ideas and emotions that the consumer connects to the brand and is a prerequisite for their purchase. The trade mark consists of a product name, logo, symbols, advertising slogan, music, smell, colours, packaging design, promotional material, sales shelves, stalls, (online) shops, etc.

According to experts you should research customers you are trying to target with your product and adjust to their wants or needs when you are creating a brand. They also advise that you are inspired by successful companies when creating a brand. At the same time, you are advised to dedicate yourself to the branding process from the outset. When creating a brand, it is also useful to hire an expert. An important part of the process is the logo and the overall graphic design of your website.

### Be visible

Try to alert your potential customers to your business. You can have the best service or product in the world, but if your product or business aren't highlighted, no one will ever know everything you have to offer. Communication should not be taken for granted. Check the different options and monitor the results. If those are not available, change the mode of your promotion. This will save you time and money and give the best end result.

### ***Classical advertising***

Classical advertising includes posters, leaflets, billboards and ads. Companies that use classical advertising should be aware that customers want to know how they will benefit through the purchase of your product and what problem the product can solve or how does it make their life easier? It is important that your ad is using the "language" of customers and that you include photos of potential customers when you advertise your product in newspapers and magazines.

### ***Online advertising***

Online advertising has become an important component of e-commerce. The key component of online advertising is to advertise where you can reach customers directly. It is also important that the response of various channels is measured constantly. Examples of online advertising are: website optimization (the search engines show your business as the top match); bids on keywords through search engines to push your website higher up; advertisements on web browsers, social networks, and other channels of online communication; banner ads on websites, etc.

Based on existing analysis and research, we can conclude that online advertising will continue to grow and, in the future, also surpass traditional advertising. The rapid growth of new internet users is also rapidly changing online advertising strategies. The innovativeness and adaptability of online media to the personal preferences of users is becoming more and more important.

### ***Direct marketing***

Direct marketing exists in various forms, such as direct mail, marketing by telephone, electronic marketing, catalogue sales etc. Direct marketing works and in these chaotic times, it can work very well if you are able to establish a genuine relationship with your customer. Create a quality list of contacts, personalize your contact list, work your contact list, and carefully guard your contact list.

In direct marketing, it is essential to create a regulated database for contacts with potential customers and to introduce a standardized data collection procedure. When reaching a client through an e-mail,



it is advisable to write just enough text to attract your client's attention and to offer a link to a website. In the case of telephone marketing, it is necessary to pay the most attention to the first introductory words.

### ***Public relations***

Public relations (PR) includes the writing of personal blogs and professional articles, press conferences, television and radio broadcasting, participation in various events, etc. Experts point out that it is important to learn how to write press releases, send press releases to journalists, inform experts about progress and prepare print material for journalists. Public relations are targeted communications with specific groups that are important to the organization.

Sales

### ***Personal selling***

Personal sales are the presentation and sales of a product / service through personal contact. Personal selling takes place at stands and fairs, door-to-door sales and sales presentations with potential buyers. One of the most important attributes of the seller is having the knowledge of the product/service they are trying to sell and present the customer the advantages of a product/service that might be of interest to them. If you are offering your products at a stand, it is important that your brand name is reflected and presented on the stand. It is also very important that you do not share stalls with other businesses.

### ***Sales promotion***

Sales promotion is an important marketing technique that can help you to achieve your goals. Sales promotion is a technique with which you are encouraging customers to buy your products by offering them various discounts (e.g. for loyal customers), sweepstakes, campaigns (e.g., offering 1 + 1 free schemes), reverse coupons, targeted window shopping, product presentations (e.g. tasting of a product) and hire- or loan purchases (e.g., instalment plan), sample distributions, gifts, etc. Prize contests and special offers are heavily regulated by the law.

A little advice:

When you want to create interest for a product that is stocking up in your inventory, offer your costumers a big discount. Reserve special offers for a certain number of customer. Provide your special offers only to your faithful customers ...

#### **Take advantage of free promotion**

Take advantage of any free or inexpensive promotion that its available to you. Plaster your car with stickers, equip your venue well with advertisement, banners, posters and other materials. Post your offer on stands with posters and place them next to the road that lead to your location. It's an easy way to prepare graphics for various documents, presentations, Facebook photographs, infographics and many other promotional materials which require a quick and easy design. The possibilities are endless, so be creative and resourceful.





the entrepreneur's best anticipation of the company's future performance - that is, the best estimate of realistic goals that are actually achievable.

**How to draw up a financial plan?**

We have prepared some important questions that entrepreneurs should ask when preparing a financial plan of a business:

- What is the expected sales of your business's products / services in the first year of operation?
- What is the expected sales growth in the next year?
- How will your products / services be positioned in price on the market?
- What are the current costs of your business?
- How many people will the company employ and what are the plans for future employment?

When drawing up a financial plan, we must take into account existing national legislation and accounting standards that vary from country to country. This is specifically defined in the field of social entrepreneurship.

**Balance sheet**

The balance sheet shows many valuable information about the company. The balance sheet shows the **assets (which the company owns)** and **the sources of these assets (which the company owes)**. The resources are further divided into external sources (e.g. liabilities to suppliers) and internal liabilities (liabilities to owners, equity). **The balance sheet has two sides, active and passive**, the sum of all assets (active) must be equal to the sum of all liabilities to suppliers and equity (passive).

Golden Rule: **ACTIVE = PASSIVE**

Below we display a simple balance sheet graphic.

ACTIVE (assets)	PASSIVE (liabilities)
<p><b>Long-term assets</b> (land, buildings, production equipment, patents, licenses, trademark, financial investments)</p>	<p><b>Capital</b></p>
<p><b>Short-term assets</b></p> <ul style="list-style-type: none"> <li>• Inventories (material, products, semi-products, goods)</li> <li>• Claims</li> <li>• Financial investments (loans, bills of exchange, securities)</li> <li>• Funds (checks, cash)</li> </ul>	<p><b>Provisions</b> (future liabilities)</p>
	<p><b>Debts</b> (financial and operating liabilities: loans, loans, suppliers)</p>
<p><b>A = P</b></p>	

**Income statement**



The profit and loss statement show the profit and loss/revenue for the past financial year (from 1st January to 31st December). It deducts the costs from the income of the company, and the result is net revenue - profit or loss. The Income statement show the management of the business, banks and other institutions how profitable a business is.

## **Cash flow statement**

Cash flow statement is an essential component of a comprehensive financial reporting. It provides information on the income and expenses of the business's operations over a given period, and also provides insight into various activities in the context of investments and financing and shows if the entity is able to generate cash flow that will support expenditure.

## **Advice**

Before preparing your financial plan, check out various tools and utilities for simpler and easier preparation of the business plans for smaller and less demanding investments and projects. Some are available online for free. You can also ask an experienced social entrepreneur to assist you with the preparation of the financial plan. He will surely be able to help you with key information.

## **DO YOU KEEP WONDERING HOW TO OBTAIN MONEY FOR A SOCIAL ENTERPRISE?**

In order to be able to fulfil your dreams of creating a social enterprise, you will initially need financial resources. Without them there is no way to succeed and that is why we present you with various options of means of acquiring money to start up your business in the next section of this manual.

## **Find the closest sources of funding**

In addition to your own finances, that you intend to use for the start-up of your business, try to also convince your family, friends, acquaintances ... to invest in your idea. They can also help with loans that are aimed to help with your business idea. This kind of financing experts call funding from 4F (Founders, Family, Friends, Fools).

## **Subsidy for self-employment**

Check if there are opportunities to apply for a self-employment subsidy. At the national level, various programs and tenders are available for social entrepreneurship and young people. There are also subsidies to launch innovative companies. Take advantage of every opportunity that is offered to you.

## **Credit**

Due to the current situation on the market, banks are carefully reviewing all necessary documentation and are more cautious to issue a loan. Nevertheless, you can still ask individual banks whether they offer a credit option. With this money, you could cover the initial costs that arise when you set up your business and buy some essential material.

## **Risk capital**

Risk capital is another form of aid available to young entrepreneurs. This form of financial investment is peculiar, since the investors become co-owners of the company. The most common forms of risk capital are angel investors, certain forms of entrepreneurial accelerators and venture capital funds.

**Business angels** are successful businessmen who in the past have already built one or more successful



business. Business angels invest in companies that have potential. With the investment they become co-owners of the company.

### **Mass-funding aka Crowdfunding**

“Crowdfunding” or online mass-funding is becoming very important when it comes to financing of companies. According to the website Crowdsourcing.org, there are around 2,600 online platforms that help with the financing of different projects and causes (more than 40 in Italy, In Slovenia the only platform that has the same characteristics is confider.eu.) The most famous ones are Kickstarter, Indiegogo, RocketHub. Crowdfunding works according to the principle that an individual, or a team that publishes and presents their idea on a platform, writes how much money they need for the realization of their idea. Investors who believe in the idea can donate their money and are then rewarded with a small prize, final product - pre-order or investment and in return receiving a share in the company. This way enough money can be gathered to realize your business idea

**The start-up for social enterprises is on the other side looking for investors**, who, in addition to profit, also want to achieve a **positive social change**.

If the aim for a start-up is to start making profit as quickly as possible, then a social entrepreneurial start-up should aim at maximizing the positive social impact as quickly as possible.

### **A little tip to conclude**

Once you become a social entrepreneur, you can take advantage of various programmes and projects intended to support entrepreneurs, such as Erasmus for Young Entrepreneurs.

## **SOME INSIGHT ON LEADERSHIP**

You need to spend a lot more time to get informed and acquire key data not only about market requirements but also about the business situation of competing companies, and above all watch over the entire operation of the business, to successfully navigate the market.

### **So, who is a successful social entrepreneur?**

He is above all an active leader, that participates in all the processes of the organization, and is not a passive observer, who observes the events unfolding from a distance. It creates a positive environment, conditions that promote performance and prevent errors. The business of the organization should encourage transparency in their day to day work: what is the work of the individual and how he is doing it now and in the future. It has to constantly monitor the working conditions and provide employees with all the resources they need to perform their tasks. It must identify the factors that influence the motivation of workers, introduce them into work and the working environment. Thus, employees have no alternative but to produce great achievements.

A good leader gives a good example to his people, always keeps his word, gives clear instructions, listens carefully, accepts suggestions, acts properly to situations, can motivate people, knows how to plan work, knows how to evaluate his people's ability.

He should also have entrepreneurial skills, be innovative, persistent and dedicated, apply ethics in his leadership, socially responsible, highly disciplined, have a positive attitude, the ability to connect with people, energetic, creative, curious. And we could go on.



The secret of success is to know and understand the capabilities of the people you work with and help them to reach their full potential.

A successful leader is thoughtful.

At the beginning he needs to be persistent. When his business becomes a success, he needs to be honest. It's just that simple.

## EXAMPLES OF GOOD PRACTICES

### Examples of good practices in Slovenia

The Centre for Research and Development of Alternative Practices” (ZRIRAP)

*ZRIRAP so.p., Beltinci*

The Centre for Research and Development of Alternative Practices is a young social enterprise, established in November 2013, that is located in the rural area of north-eastern part of Slovenia. The young people of the town Beltinci decided to come together and determined that the time for change has finally come, after many successful companies in their hometown simply collapsed and disappeared. Persistence helped them face many obstacles that were put in their way but they finally managed to acquire a piece of land in the town of Beltinci. They also managed to employ their first workers to work those fields and grow vegetable and plants. The main activity of the centre is situated in the centre of Beltinci on the ground of the former garden centre, that has not been used for the last few years. The management and expansion of the ecological, herbal and vegetable garden was a group effort and has benefited the whole community.

They also strive to establish an intergenerational centre that will enable the local community to spend their free time in a quality way, transferring almost forgotten knowledge and wisdom to the younger generation, and actively cooperating in solving contemporary social problems.

The priorities of this social enterprise are activities that deal with the ecological, social issues and that enforce sustainable development.

They also have their own shop, located near their eco garden, where they offer fresh seasonal vegetables (pumpkins, salad, chicory, endive, spinach, chard, tomato, pepper, cucumber, beans, garlic, carrots, red beet, onion, Jerusalem artichoke – topinambur, Chinese cabbage, peas, potatoes) and spices (pot marigold, marjoram, hyssop, savory, buckwheat, lady's mantle, yarrow, lemon balm, artichoke, thistle, wormwood, tansy, thymus, thyme, nettle, echinacea (purple coneflower), monarda, safflower, fennel, anise, bramble) from their garden at affordable prices.

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Facebook: <https://www.facebook.com/ZRIRAP-sop-Beltinci-1463125387311049/?fref=ts>

## Prlekija Youth Centre – Regional centre of non-governmental organizations



Prlekija Youth Centre is an association that is located in the rural area in a pleasant natural environment and works for the interest of the community. It combines the activities of the youth hostel, the Regional multimedia and cultural centre of the Pomurje region and the Youth and family centre. The organization was officially registered in 1994. Since then, activities have been carried out for youth structures in the local, regional and national context. These activities have been updated throughout the years.

They are assisted in their activities by volunteers, old and young. They also work with various institutions (centre for social services -CSD, schools, societies, etc.) and municipalities. In addition, they deal with culture, prevention and social welfare programs, innovative and developmental activities, technical culture, non-formal education, information and counselling, volunteering, service activities for NGOs and youth structures, networking and international networking. The Prlekija Youth centre is also accredited as a Coordinating, Sending and Receiving organization for the European Voluntary Service (EVS). We also have a youth hostel, a shelter for young victims of violence and an eco- farm for children and youth.

Because the centre is situated in a demographically endangered area, these types of activities and many others are especially desirable and useful. They also offer free daily and weekly social activities, sports and cultural events for the elderly and also younger generations. The centre also offers different workshops, lectures and courses (e.g. computer competences, German language course, crochet learning).

The activities organized by the centre are also influenced also by the closeness and availability to nature. The participants can enjoy taking long walks, use extensive areas for sporting activities, go camping and come in contact with plants and animals.

The location and their own experiences allow them to put most of their attention on the development of social entrepreneurship and the employment of groups that are hard to employ and young people. They are thus devoted to the development of rural areas, tourism, culture, social care, the production of domestic agricultural products. They also strive for inclusion, utilization and implementation of cultural productions by disadvantaged groups and, consequently, for the significant reduction of cultural divisions among the population.

When developing the content of the activities the input of young people, as well as other individuals, groups and organizations is always welcomed. They are also willing to help with the realization of any new ideas or concepts.

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## Examples of good practices in Italy

### Human Rights Youth Organisation



Human Rights Youth Organization is a non-profit, non-governmental organisation founded in Palermo in 2009 with the aim to strengthen the Human Rights at local and global level. It's founder is Marco Farina. He founded H.R.Y.O. in 2009 when he was a student of the Faculty of Law and he did so as a response to the culminating economic crisis in Europe. Nowadays, he is in charge of financial management and coordination of the department of human rights at H.R.Y.O. He also takes the role of project manager and trainer.

The Human Rights Youth Organization believes in a world governed by peace and mutual understanding. They see education as an essential aspect towards creating a reality that promotes and protects human dignity, all aspects of equality and sustainability. H.R.Y.O. sees the importance of supporting local action and developing the potential of a single human being, for small changes leading to big process.

H.R.Y.O.'s mission is to facilitate the fulfilment of Human Rights and establish an international network of organisations and individuals who are actively contributing to their local context. They seek to actively work towards a culture of peace by promoting and taking part in non-violent actions towards the liberation from oppression in any form. While taking action they promote, encourage and celebrate the value of diversity of people in society.

#### Goals:

1. To restore Human dignity by using non-formal educational projects that respond to the needs of society and the individual;
2. To break down prejudice by connecting different realities and facilitate an intercultural dialogue;
3. To raise awareness of oppression and suffering and the issues surrounding them;
4. To establish a network that supports local movements in conflict zones;
5. To create, facilitate and communicate a pathway towards a culture of peace, respect and sustainability;
6. To be of influence in the change of law, rules and policies that protect the Human Rights;
7. To establish a local Human Rights Centre that educates about and promotes the integration of Human Rights with daily life;
8. To promote culture as a tool in the acceptance and understanding of diversity;
9. To create a department specialised in issues that affect the position and role of women in society;
10. To use a holistic approach in the achievement of tolerance amongst the new generation;
11. To promote peaceful action towards liberation from the influence of mafia and organized crime;
12. To be a leading example in all of the above.

#### What they do?

##### BhRYO Garden

H.R.Y.O. runs an Urban Garden where plants, vegetables and fruits are grown within an urban environment. It serves as a means of reconnecting the citizens with the cycles of nature and of strengthening and growing their knowledge about the origin, taste and seasonality of the products. In

Palermo, this phenomenon is a new trend and H.R.Y.O., as an organization with a strong impact at local level, has a plot of land called Orto BrHYO. This small garden, running thanks to the care of volunteers and of its members, follows a precise timetable based on the seasons and hence the quality of the products. Its benefits are strongly linked to the social activities of the H.R.Y.O. The garden is considered a local food source and therefore a means to bring together communities and families and educate people, especially the youth, about food origins.

### European voluntary service

H.R.Y.O. provides multiple opportunities of youths' mobility through European voluntary service (EVS). H.R.Y.O. is accredited as Coordinating, Sending and Receiving organization for EVS.

### Culture Festival – Meet Me Halfway

The Festival of Cultures – Meet me halfway – was born within the Association H.R.Y.O. The first edition was held in September 2012 in the heart of Palermo - the Ballarò quarter. The idea of the Festival derives from the simple premise that if all cultures were able to meet, they could really rise to a constructive dialogue for the whole society. During each edition, Human Rights Youth Organization establishes local strategic partnerships in order to optimize the realization of the festival which is organized thanks to the essential contribution of all the organizations and individuals who are involved therein.

H.R.Y.O. is active in many fields from human rights, gender equality and cultural exchange to youth mobility.

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 Facebook: <https://www.facebook.com/asshryo/>

### Cooperazione Senza Frontiere (CSF)



**CSF** is an organisation established in 2010 by two university students of the Faculty of Economics. Nowadays, CSF works in the field of social promotion, voluntary work, active citizenship and youth mobility through the implementation of various projects. They started their activity with the Youth in Action Programme and currently they work mostly with Erasmus+ programme and other public and private funds.

### What they do?

#### 1. Youth mobility

CSF manages **youth mobility** through Erasmus+ programme and European voluntary service. They have already involved about 300 youngsters, both in Italy and abroad, in the projects focused on cultural exchange, training courses, seminars, studio visits, network events, strategic partnerships and European voluntary service.

### 2. Youth Aggregation

In May 2014 CSF moved their headquarter to Via De Spuches in the city centre of Palermo opening, together with the Circolo Culturale Arci The Factory, the PYC – **Palermo Youth Centre**. PYC created a space for young people from Palermo and beyond, where they can meet and take part in socially useful activities, language, art and music courses, and cultural events such as concerts or extemporary art exhibitions.

In June 2017 CSF inaugurated a new site “La Nuova Villa Trabia”, another cultural centre located inside the splendid setting of Villa Trabia in Palermo. Thanks to the Youth Department’s loan and to the concession of the property by the municipality of Palermo, they restored the structure and made it available for local citizens to enjoy it. Art courses, music lessons and creative recycling workshops are organised within the structure as well as an infodesk for youth mobility opportunities.

### 3. Urban Requalification

The city of Palermo has a huge cultural patrimony that, however, suffers from degradation and abandonment in several zones. From public areas to private buildings of historical interest, there are numerous zones that need some interventions. Together with other youth organisations, CSF organises initiatives of urban cleansing and promotion of public spaces.

### 4. Awareness Campaigns

The activities of CSF aim also to public awareness raising of various issues such as those related to the inclusion of immigrants, gender equality and human rights. Recently, CSF implemented the project “I giovani parlano con l’Europa” (Young people talk to Europe), financed on the announcement “Giovani per il Sociale” (Youth for the Social) tackling on of the current needs pointed out by the European Union “to eliminate obstacles in the exercise of Union citizens’ rights”. The main objectives are to enhance cultures and traditions, encourage dialogue between cultural and religious identities, spread new technologies in occupational, social and cultural spheres, and promote European citizenship and the opportunities and instruments that the Community offers.

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## Examples of good practices in France

Le café citoyen



Café citoyen is a cultural coffee house cooperative in the center of Lille. Citoyen means citizen. The name of the cooperative wants to suggest his aim which is to promote citizenship and encouraging people in thinking as a collective and not as individuals. Citizenship is also strictly linked to democracy, justice and equality of rights.

The cooperative belongs to the SSE for several reasons:

- The way they collaborate with local suppliers who come from the biological and fair trade sector.
- The organization of work between members based on democracy. Each employee takes part in the decision making process concerning the project.
- The proposition of a public space to be used by associations and active citizens wishing to meet and build a better and more inclusive society.

As a cultural coffee house the Café Citoyen invites all citizens and associations to organize meetings, conferences, concerts, etc. The result is a vibrant place where a multiplicity of actors come together to share ideas and build common projects.

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 Website: [www.cafecitoyen.org](http://www.cafecitoyen.org)  
 Facebook: <https://www.facebook.com/cafecitoyen/>

### Quanta



Quanta is a nonprofit association (1991 law on associations) settled in a farm near Lille in the North of France. The aim of Quanta is to promote the accessibility to cultural events to everybody, but especially for disabled people or vulnerable people suffering of discriminations. The integration is made step by step. The first objective is to increase the autonomy of members that will ultimately allow them to better get integrated in society and in the labor market.

In order to tackle with discrimination Quanta manages a Theatre company and a restaurant where disabled people are employed.

- The restaurant

The legal form of the restaurant is ESAT which is a socio-medical organization aiming at promoting the professional integration of disabled people. At the moment there are 22 disabled people working in the restaurant who are supported by a staff of waiter, chef and caseworkers. The restaurant is well known in Lille area. It proposes a different approach of restaurant as well as a caterer service.

- The theatre company

Members of the ESAT are also involved in the theatre company. They work on theatre pieces played inside and outside the restaurant. They also prepare workshops for other disabled people and organize interventions in schools and socio-medical organizations.

Each year in June Quanta organizes the Lake Festival. Cultural dinners are proposed inside the farm and it is the moment for members to show the work they have been doing during the year. A market is also organized to promote local products.

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