

# SOCENTER

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**Result 1 "Handbook on creating adult-friendly enterprises"**



SocEnter

[socenter.eu](https://socenter.eu)



Co-funded by  
the European Union

**Project title: "Development of social entrepreneurship  
– new opportunities and ways of development"**



## About Project

We will collect the experience of the functioning of social cooperatives from various EU countries and, analyzing all aspects of operation, we will try to find universal rules that will help people starting or setting up social enterprises. According to the International Labor Organization (International Labor Office, 2015), there are low-skilled jobs around the world almost 45% of all jobs. In fact, many low-skilled jobs require physical, mechanical and communication skills. Social cooperatives and social enterprises provide decent work. This is especially important for excluded and vulnerable people.

### There are three opinions that are widely discussed:

- education and lifelong learning are the main keys to reducing unemployment, poverty and social exclusion.
- social entrepreneurship can create new employment opportunities for adults;
- people should be actively involved by initiating their own entrepreneurial activity, not just to be told what to do. above our design is based on evidence and thought.

### Considering the above considerations, our design idea is also based on the use of online learning in the areas of:

1. Improving and running the educational program.
2. Improving adult educator's own qualifications
3. Impact on the activity of the local community. In this project, the Consortium partners are heavily involved in sharing knowledge, developing and transferring innovative practices and expertise to create an educational framework for low-skilled adults based on an interactive approach to participatory online learning.

### All partners will share and transfer their competences:

1. **Ecoinstituto** will transfer its competences in teaching entrepreneurship, educating low-skilled adults and e-learning, especially online learning.
2. **Institute Development Of Entrepreneurship** will transfer its competences in the field of information and communication technologies and business management.
3. **The Zofia Zamenhof Foundation** will transfer its competences in the field of adult education, training and evaluation educational processes.
4. **Epralima** will transfer its competences in sustainable development, social innovation and empowerment of low-skilled adults.
5. **Cooperativa De Interesse Pubblico** will transfer its competencies in entrepreneurship and new management practices and methods.
6. **CUS – Social Cooperative** will ensure that its experience will be used in the SocEnter project when running a social club undertaking.

# Disclaimer

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**Ecoistituto** is a non-profit research institute established in 1989 with a primary focus on sustainable development. Its core objective is to promote effective and sustainable results while enhancing the livability of citizens. Ecoistituto adopts a multidisciplinary approach to its activities.



The institute collaborates with higher education institutions, schools, and governmental organizations to organize conferences, courses, seminars, and workshops. These events cover a wide range of topics, including sustainable development, social business, environmental education, and healthy behavior.

Ecoistituto comprises members from diverse backgrounds, including university professors (particularly from Udine University), professionals, experts, and researchers. Their expertise spans various fields such as ICT, education, economy, agribusiness, ecology, sociology, psychology, social anthropology, architecture, and geography.

Through its involvement in numerous European projects, including Erasmus Plus, Ecoistituto has established formal collaborations. It serves as a partner to the University of Udine and Rezekne Academy of Technology University.

One significant area of focus for Ecoistituto is local projects benefiting young people and older individuals. In recent years, the institute has conducted study and research activities in the psychosocial field, special education, and digital technology. These endeavors have been made possible through collaborations with international partners.

Ecoistituto's commitment to advancing knowledge is evident through the publication of several scientific papers stemming from its research efforts.

# I. Social Entrepreneurship

**Authors:** **Giberto Marzano**, **Simone Zorzi** - **Ecoisstituto del Friuli Venezia Giulia**  
**Raffaella Cavallo**, **Francesca Ferrara** - **Centro Solidarietà Giovani** - **Giovanni Micesio**

This chapter analyzes the concept of social entrepreneurship considering its multifarious facets and the relationship with other concepts such as sustainability and innovation.

The notion of social business is discussed following the idea of the Nobel Peace Prize Muhammad Yunus who argues that social business is a distinct new kind of social-responsible business that is outside the profit-seeking world.

The aim of this chapter is presenting the different aspects of social entrepreneurship and the new orientations to promote social value.

**Keywords:** Social Business, Social Entrepreneur Behavior, Social Enterprise, Social Innovation

## 1. What is Social Entrepreneurship?

Nowadays, social entrepreneurship is a broad umbrella term that encompasses activities and processes aimed to give effective and sustainable solutions to social problems.

Social entrepreneurship has developed as distinctive form of the third sector's enterprises in the 21st century (Nicholls, 2008). It represents a part of contemporary economy, especially in many developing countries and involves different figures of changemakers who act as entrepreneurs. The aim of these entrepreneurs is creating opportunities for their communities, also building multiplier partnerships, and developing policy changes and market system changes.

The research, *More in Common: The Global State of Social Enterprise* (British Council, June 2022), has estimated that the number of social enterprises in developed countries is very wide. Hundreds of thousands social enterprises have been estimated in the United States, 20,000 in Australia, 102,000 in Italy, 18,000 in Belgium, 96,603 in France, 15,855 in Hungary, 29,535 in Poland, 205,000 in Japan.

The term social entrepreneur was first mentioned in 1972 by Joseph Banks in his book *The Sociology of Social Movements*. The author used this term to describe the need to use managerial skills to address social problems as well as to address business challenges. According to Raghda El Ebrashi (El Ebrashi, 2013), the founder and chairperson of Alashanek ya Balady Association for Sustainable Development (AYB-SD), which is one of the biggest youth NGOs in Egypt, social entrepreneurship practices emerged in the 1980s with the establishment of Ashoka, which was the first organization to support social entrepreneurs in the world (Sen, 2007).

Social entrepreneurship can be considered as entrepreneurship with a social goal while social entrepreneurs should be deemed as change agents or changemakers. Accordingly, one expects that the primary aim of social entrepreneurship is to obtain social returns from social economical activity.



In this perspective, social entrepreneurship operates in the conventional economic system but with a different primary objective. Conventional entrepreneurs aim at creating value for themselves while social entrepreneurs aim at creating value for the community in which they operate. Social entrepreneurship shares with conventional entrepreneurship innovation, risk-taking, and proactivity but its objective is to offer concrete and valuable solutions to real social problems. Indeed, in social entrepreneurship, innovation is at service of community while risk-taking and proactivity are finalized to solve a social problem.

It has been observed that social entrepreneurship can be moved by intrinsic and extrinsic motivations of social entrepreneurs. On this regard, the behavioural theory of social entrepreneurship examines the relevant variables that lead to social endeavour creation, the basic association elements and structures, and how these typologies measure the social effect, activate assets, and realize effective and sustainable social change. Human behavior can have a fundamental role in fostering or hindering social and economic development (Huggins & Thompson, 2021). The motivation to become a social entrepreneur is an individual choice although social problems, political and situational factors can influence this choice.

Although either social or conventional entrepreneurs focus on financial sustainability and efficiency of their enterprises, a social entrepreneur aims to achieve sustainable and efficient changes to sustain social benefits at community level:

*“For social entrepreneurs, the ultimate result of the social enterprise is to create sustainable change in the lives of people, and this change should be on a community level rather than on an individual level (i.e. social impact rather than outcomes). In addition, social entrepreneurs – as their private counterparts – focus on the financial sustainability and efficiency of their enterprises. For example, Salah Arafa did not want people to live a decent life per say, but to be able to attain the necessary knowledge to sustain this decent life independent of external help or aid. He did that through mobilizing financial and human resources present in the community to create social and environmental impact (i.e. an independent society)” (El Ebrashi, 2013, p. 202)*

As a consequence, a social enterprise pursues social and cultural impacts:

*“Social impacts include all social and cultural consequences to human populations of any public or private actions that alter the ways in which people live, work, play, relate to one another, organize to meet their needs, and generally cope as members of society. Cultural impacts involve changes to the norms, values, and beliefs of individuals that guide and rationalize their cognition of themselves and their society.” (Burdge and Vanclay, 1996, p. 59).*

## **2. The behavioral theory of Social Entrepreneurship**

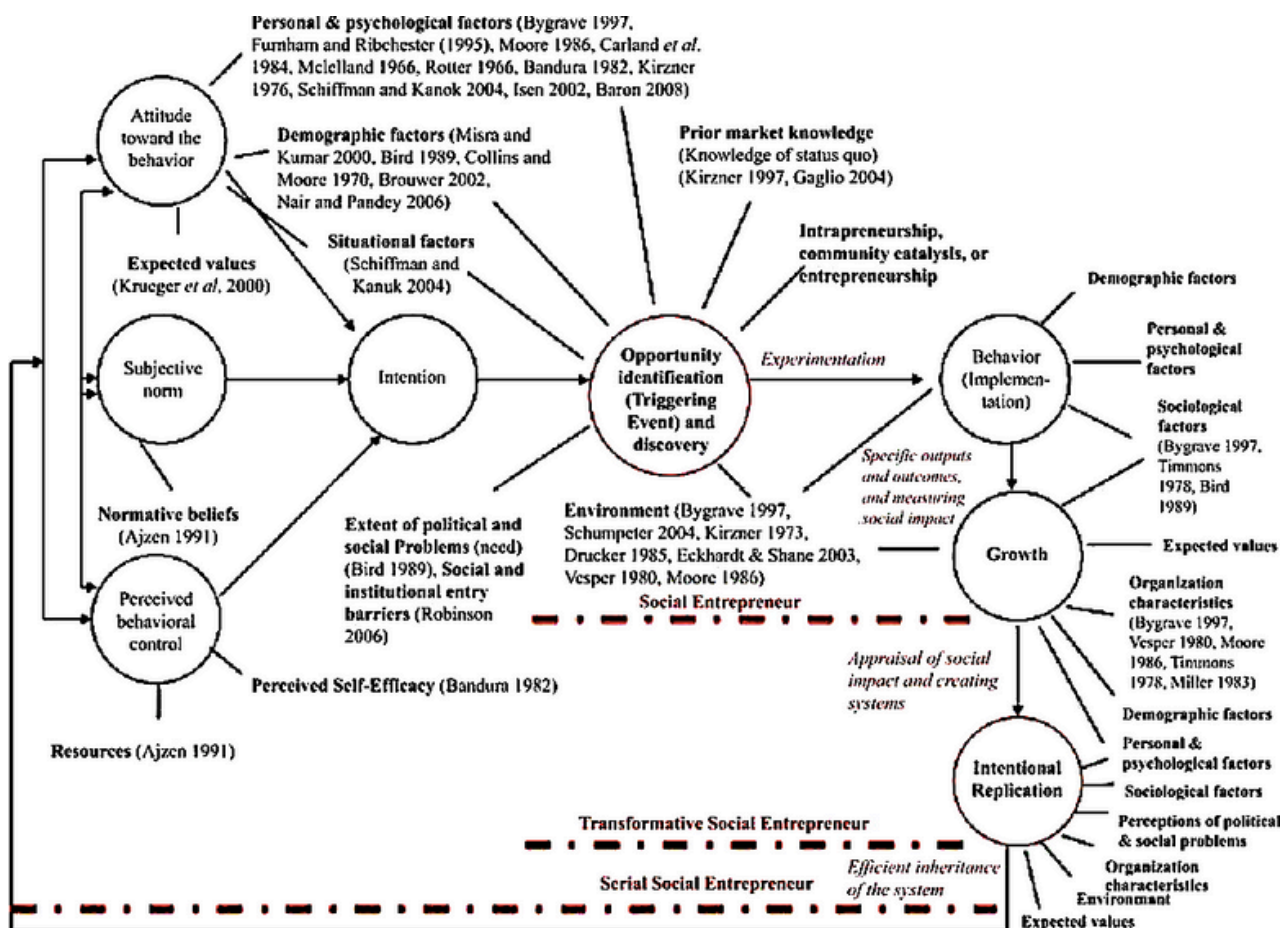
The behavioral theory of social entrepreneurship attempts to provide a behavioral theory for social entrepreneurship. The aim is to understand why and how social enterprises are formed, how they evolve from different organizational contexts, and how they create sustainable social impact.

On this purpose, Raghda El Ebrashi (2013) carried out a research based on integrating the entrepreneurship literature with a global empirical investigation on social entrepreneurs using the grounded theory introduced by Glaser & Strauss in 1967 to legitimize qualitative research (Strauss & Corbin, 1990). The author argues that studying the phenomena of social entrepreneurship and explaining the social enterprises' unique behaviors, characteristics, and typologies would support the creation of sustainable public wealth. He agrees to Ajzen (1991) that there are three constructs affecting the formation of intentions: attitudes, subjective norms, and perceived behavioral control. El Ebrashi assumes that every construct in the behavioral theory of social entrepreneurship is affected by various factors (antecedents) that are:

1. Personal and psychological factors
2. Sociological factors
3. Demographic factors
4. Environment
5. Expected values
6. Situational variables
7. Organizational characteristic

Once the various factors have been defined, the author identifies for each of these factors the underlying behavioral theories. Figure 1 shows the resulting behavioral theory of social entrepreneurship.

Figure 1. The theory of social entrepreneurship behavior (source: El Ebrashi, 2013, p. 197)



In 2012, Felipe M. Santos made another interesting attempt to propose a positive theory of social entrepreneurship, based on the difference between value creation and value capture. He elaborated this theory analyzing social initiatives in the light that:

*“Although “social entrepreneurs usually start with small initiatives, they often target problems that have a local expression but global relevance, such as access to water, promoting small-business creation, re-integration of individuals into the workforce or waste management.” (Santos, 2012, p. 335)*

From his analysis, Santos argues a holistic conception of value to overcome the traditional distinction between economic and social value. The author recognizes that all economic value creation is inherently social. Indeed, actions to create economic value also improve society’s welfare through a better allocation of resources. Nevertheless, economic value is narrower than social value and only applies to benefits that can be measured monetarily, while social value includes intangible benefits that defy measurement. To go beyond the dichotomy between economic and social value, Santos proposes a concept of value defined in terms of utility of society’s members. This value definition is consistent with the concept of value in economic theory, for which social welfare is defined by the aggregation of individual utility. The author claims that the central distinction between economic and social value involves the value creation and value capture. He sustains that the trade-off between value creation and value capture is a central choice for organizations. Value creation is creating value for customers. The more value the better. Value capture is capturing the value one creates and turning it into profit. Maximizing both value creation and value capture in the same organizational unit can be difficult. Santos shows how value capture may negatively influence the purpose of value creation. It is the case of the Mexican Bank Compartamos which operated for many years as a typical microfinance institution, maximizing on value creation by lending to the poor and charging an interest rate that allowed it to cover costs and reinvest in growth. In the 1990s, the managers of the bank were forced to significantly raise their interest rates to cover their costs during a period of high inflation in Mexico. After the inflation suddenly came down, they found that their business model was highly profitable and decided to maximize profits to increase their growth potential. So, instead of lowering their rates, they kept them at close to 80 % and re-invested the profits in an aggressive growth strategy with a view for a public offering of shares. Muhammad Yunus, the founder of Grameen Bank and Nobel Prize winner, challenged Compartamos actions arguing that Microfinance risked losing its soul. According to the Compartamos and other cases, Santos argues that what distinguishes social entrepreneurship from commercial entrepreneurship is a predominant focus on value creation as opposed to value capture. Social entrepreneurs are driven primarily by a motivation to create value for society, not to capture value.

Santos formulates four propositions:

1. **Proposition 1** - The distinctive domain of action of social entrepreneurship is addressing neglected problems in society involving positive externalities.
2. **Proposition 2**- Social entrepreneurs are more likely to operate in areas with localized positive externalities that benefit a powerless segment of the population.
3. **Proposition 3**- Social entrepreneurs are more likely to seek sustainable solutions than to seek sustainable advantages.
4. **Proposition 4**- Social entrepreneurs are more likely to develop a solution built on the logic of empowerment than on the logic of control.

### 3. What is Social Value?

Before to deal with social value, it is helpful to introduce the notions of value and values. On this regard, Mark Carney, the Governor of the Bank of England from 2013–2020 and currently the UN Special Envoy for Climate Action and Finance, argues:

*“Value and values are related but distinct. In the most general sense, values represent principle of standards of behaviour. They are judgments of what is important in life, determining what actions are best to do or what ways are best to live (a field of study called normative ethics). Examples include integrity, fairness, responsibility, sustainability, dignity, reason and passion.” (Carney, 2021, p. 16)*

Value concerns the importance, worth, or usefulness something holds. The verb to value means to consider someone or something to be important or beneficial.

Value is not immutable. It can change according to time and context. Economic value is generally depicted as relative and one of most fundamental questions in economics has been what determines the value of a good or service. Moreover, value is not only related to goods and services but it can concern also a property of literature, art, education, and religion. Portraying a brief history of value, Carney sustains that, during the time, the perception of value is fundamentally changed from intrinsic to the good or activity that is produced to external and in the eye of the beholder that consumes. Accordingly, the author claims that:

*“We equate the market price of goods, activities and labor with their worth and that worth with what society values. If left unacknowledged, this could have profound implications for how successfully society addresses the large structural changes now being wrought by the combination of the Fourth Industrial Revolution and the Covid crisis.” (Carney, 2021, p. 39)*

In ethics and social sciences, values are defined as basic and fundamental beliefs that guide or motivate human attitudes or actions. How does the notion of social value differ from that of value? Is social value something of specific?

We have seen how Santos based his theory of social entrepreneurship on social value creation and social value capture. But what is social value ultimately?

In 1991, the historian and philosopher of economic Philip Mirowski, argued:

*“I would claim that (with very few partial exceptions, such as the American institutionalists) there has never been a serious exploration of the logical structure of a thoroughgoing social theory of value. It would be explicitly “social,” and perhaps even “postmodern,” because it would refrain from grounding any aspect of value either in the “natural” attributes of the commodities (the substance theories), or in the supposed inherent psychological regularities of the individual mind (neoclassical field theory).” (Mirowski, 1991, p. 566)*

There are many definitions of social value:

*“The concept of social value has long since been used to describe the role and contribution of third sector organizations as social service actors.” (Rees & Mullins, 2016, p. 149)*

*“[...] social value is about the social impact of an individual, organization, or project makes to the community within which they operate.” (Raiden & King, 2021, p. 3)*

*“[...] there is no single authoritative definition of social value but we can say that it refers to wider non-financial impacts of programmes, organisations and interventions, including the wellbeing of individuals and communities, social capital and the environment.” (Mulgan, 2010, p. 38)*

*“[...] social value is a subjective term and will mean different things to different people.” (Mulgan, 2010, p. 39).*

*“[...] social value is a concept that originated in socioeconomic research over twenty years ago ...” (Bellostas, López-Arceiz, & Mateos, 2016, p. 374)*

*“[...] the specific concept of social value is still in its infancy, with widespread and long-term examples of success stories hard to find.” (Watts, Dainty, & Fernie, 2019, p. 55)*

*“Social value is the quantification of the relative importance that people place on the changes they experience in their lives. Some, but not all of this value is captured in market prices.” (<https://socialvalueuk.org/what-is-social-value/>)*

*“Social value has been defined as a perceived utility related to identification with or association of a specific social group.” (Pribeanu, 2020, p. 6)*

*“[...] social value is defined as a collective attachment to place that embodies meanings and values that are important to a community or communities.” (Jones, 2017, p. 22)*

*“Social value has been defined as perceptual benefits acquired from a product’s association with social class status, or a specific social group.” (Mohsen, Hussein, & Mahrous, 2018, p. 28)*

*“Social Value. The social value of an alternative is defined as: The perceived utility acquired from an alternative’s association with one or more specific social groups.” (Sheth, Newman, & Gross, 1991, p. 161)*

The above definitions of social value are only a few of those available in literature. They have been selected from different disciplinary contexts, especially economics, but also cultural heritage where social value has been variously used to refer to community identity, attachment to place, and spiritual associations (Jones, 2017).

However, the various definitions emerge that social value depends on the societal context and can change in time and concerns the collective wellbeing. Nevertheless, it is universally accepted that social value includes intangible assets that cannot easily be measured.

The measure of social value is crucial to evaluate social impacts. On this regard, Social Value UK, the Joint Member Network of Social Value International (<https://www.socialvalueint.org>), the global standard-setting organisation for social value and impact management, defines social value as “the quantification of the relative importance that people place on the changes they experience in their lives” (<https://socialvalueuk.org>).

In the last decade, an increasing attention is applied to social value and social impacts.

Nowadays, UK government now requires that social value is evaluated as part of the tender process for most of its biggest outsourcing contracts – some of which are worth billions of pounds:

*“Social value should be explicitly evaluated in all central government procurement, where the requirements are related and proportionate to the subject-matter of the contract, rather than just ‘considered’ as currently required under the Public Services (Social Value) Act 2012. Unnecessary burdens should not be placed on commercial teams or suppliers.”*

(<https://nwupc.ac.uk/sites/default/files/Social%20Value%20Engine%20-%20NWUPC.pdf>)

In UK, local councils are adopting similar approaches not only in their own procurement but also in planning.

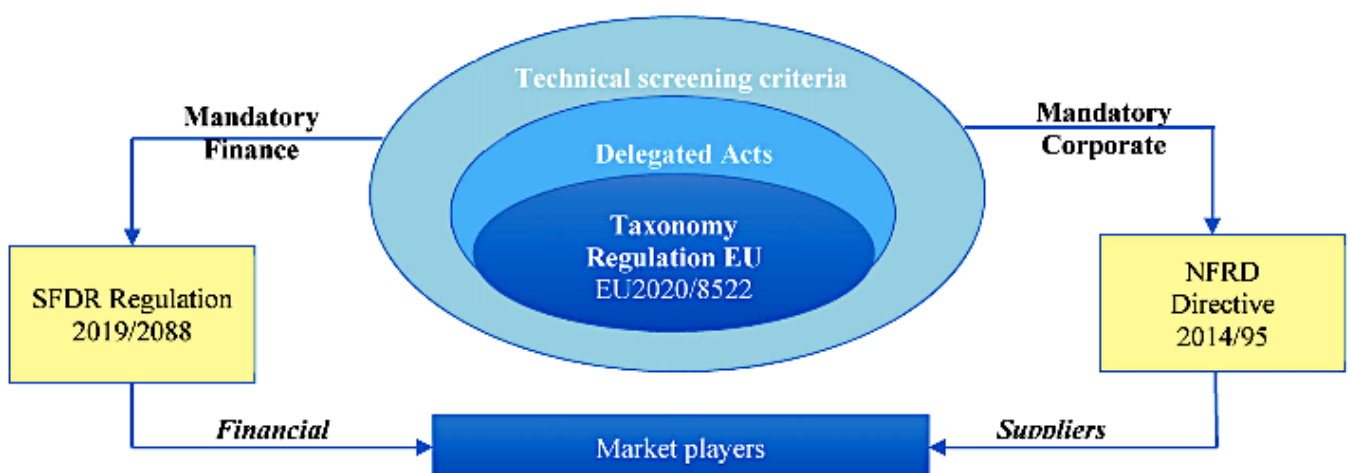
In 2015, the United Nations General Assembly established 17 Sustainable Development Goals for tackling the world’s biggest challenges like poverty, inequality, and climate change.

On November 27, 2019, the EU Parliament and Council adopted Regulation 2019/2088 “on sustainability-related disclosures in the financial services sector” (“SFDR”):

*“The innovative goal of this regulation is the consideration of environmental impacts and of the social value that might be generated by the financial sector, mainstreaming ESG disclosure and upgrading this practice from voluntary initiative of a few innovators to a precise obligation of the general market.”* (Bengo, Boni, & Sancino, 2022, p. 4).

Figure 2 shows the scheme of the EU sustainability policy framework.

Figure 2. EU sustainability policy framework (source: Bengo, Boni, & Sancino, 2022, p. 5).



## 4. Social And Sustainable Entrepreneurship

Sustainable Entrepreneurship stands for a business-driven concept of sustainability which focuses on increasing both social and business value, pursuing the so-called Shared Value (Weidinger, 2014).

Sustainable entrepreneurship has been widely acknowledged as the answer to the environmental and social challenges that contemporary society should tackle. Sustainable development should balance three dimensions of sustainability: the economical, the human, and the environmental systems. Balancing economic health (profit), social equity (people), and environmental resilience (planet) through entrepreneurial behaviour is what identifies a sustainable entrepreneur (Hockerts & Wüstenhagen, 2010). It is broadly shared the opinion that sustainable entrepreneurship refers to the discovery, creation, and exploitation of entrepreneurial opportunities that contribute to sustainability by generating social and environmental gains for others in society (Pacheco et al., 2010; Shepherd and Patzelt, 2011).

The book by Mariella Pinna (2020). represents an important contribution to the concept of sustainable entrepreneurship. It is the results of an analysis of more 400 published studies, that are filtered and reviewed. The author collects and presents the more shared definition of sustainable entrepreneurship adapting the work of other authors, such as Muñoz and Cohen, (2018).

However, among the numerous definition that by Shepherd and Patzelt maintains in centrality. The authors argued that sustainable entrepreneurship is focused on the:

*“[...] preservation of nature, life support, and community in the pursuit of perceived opportunities to bring into existence future products, processes, and services for gain, where gain is broadly construed to include economic and non-economic gains to individuals, the economy, and society” (Shepherd & Patzelt, 2011, p. 137).*

## 5. Social Entrepreneurship and Social Business

Gladius Kulothungan (2014) claims that the factors that emerged the concept of social enterprises have been:

- Practices of services by the state has declined gradually from the late 1970s and the private management view and practices have been introduced into the public welfare systems.
- Market mechanisms have failed to meet the needs of people and demonstrated that market doesn't balance or compensate social imbalances.
- The ideas of self-reliance and personal responsibilities spread in the enterprise culture in the last few decades.
- Funding opportunities for the third sector increased.

A social enterprise should have at least two characteristics (Portales, 2019). The first is to offer a product or service that must satisfy a market need, competing with either business or social enterprises that offer similar products or services.

The second concerns the business model. It must ensure the generation of enough wealth to maintain the social value of the product or service. A business model is defined as the strategy and operation that a company establishes to make money and the profit flow over time. It “organizes and complements the components of the strategy and execution of the business” (Portales, 2019, p. 99)

The three primary elements of a social business model are:

- Social value proposition, that is the way the company will follow to solve a social problem,
- Economic value proposition, that identify an easy-to-understand reason why a customer should buy a product or service.
- The generation of social value, that strengthens the purchase intention of the market segment.

CANVAS is the most most widespread tool for creating a social business model. It has been designed by Alexander Osterwalder and Yves Pigneur and implemented with the support of many practitioners: It was based on The Business Model developed by Alexander Osterwalder in 2004. *The Business Model Generation* is a handbook for visionaries, game changers, and challengers by Alexander Osterwalder and Yves Pigneur (2019) illustrates how to implement and evaluate business models.

The Nobel Peace Prize Muhammad Yunus explains the relationship between social enterprises and social business. He argues that social business is a distinct new kind of social-responsible business that is outside the profit-seeking world. The goal of social business as well as social enterprises and social entrepreneurship is “to solve a social problem by using business methods, including the creation and sale of products and services” (Yunus, 2010, p. 1).

Yunus identifies two types of social business:

1. Type I. It is based on a non-loss and non-profit policy that pursues the solution of social problems and the reinvestment of profits in expanding and improving the business.
2. Type II. It is based on a profit-making policy but pursued by poor people either directly or through a trust that is dedicated to a specific social cause.

He underlines that social entrepreneurship and social business are quite different. Social entrepreneurship describes an initiative created by an entrepreneur with a social vision. This initiative may be a non-economic, charity, or business initiative with or without personal profit. Yunus claims that the charitable model has some inherent weaknesses. It relies on donation that is not a sustainable way of running an organization. By contrast a social business is sustained to be sustainable.

In many cases, social entrepreneurship innovations originate from developing countries and involve the deployment of new business models that address basic human needs. Table 1 shows the estimated number of social enterprises in a few developing countries and UK.



Table 1. Estimated number of social enterprises in some developing countries and UK (source: British Council, 2022, p. 15)

Country / territory	Estimated no. of social enterprises	Population (approx.)
Bangladesh	150,000	150 million
Ethiopia	55,000	100 million
Ghana	26,000	30 million
Greece	1,500	10 million
Hong Kong, China	4,000	7 million
India	2,000,000	1.3 billion
Indonesia	342,000	260 million
Kenya	40,000	50 million
Malaysia	20,749	30 million
Pakistan	448,000	210 million
Philippines	164,473	100 million
Singapore	6,000	5 million
Sri Lanka	10,000	20 million
Sudan	55,000	40 million
Thailand	115,000	70 million
UK	100,000	65 million
<b>TOTAL</b>	<b>3,537,722</b>	<b>2.447 billion</b>

## 6. Social Entrepreneurship and Innovation

The term entrepreneur is derived from the French word entrepreneur, which means a person who takes risks starting something new. It was introduced in 1725 by Richard Cantillon (Does, 1988).

In the 20th century, according to Does, the economist most closely associated with the term entrepreneur was Joseph Schumpeter:

*He described entrepreneurs as the innovators who drive the “creative-destructive” process of capitalism. In his words, “the function of entrepreneurs is to reform or revolutionize the pattern of production.” They can do this in many ways: “by exploiting an invention or, more generally, an untried technological possibility for producing a new commodity or producing an old one in a new way, by opening up a new source of supply of materials or a new outlet for products, by reorganizing an industry and so on.”*

*Schumpeter's entrepreneurs are the change agents in the economy. By serving new markets or creating new ways of doing things, they move the economy forward. (Does, 1988, p. 2)*

The term social entrepreneur was coined by Bill Drayton in the 1980s. He was responsible for creating Ashoka (Sen, 2007), a worldwide non-profit organization founded to support social entrepreneurs and their innovation capability in order to build an everyone a changemaker world (<https://www.ashoka.org/en-us/about-ashoka> ).

Social entrepreneurship is considered as an innovative approach to social issues. It should produce innovative solutions to immediate social problems and mobilize ideas, capabilities, and resources for sustainable social transformation. Innovation is related to the human creative capacity to develop new solutions and responses to problems. Novel solutions are often created by making use of previous but unrelated ideas, and are considered the result of an innovation process. Innovation is a buzzword that appears in different scopes. It is often used by politicians as the magical solution to the current global economic downturn. In economic studies, innovation describes the development and application of ideas, technologies, and processes with the aim of improving goods and services or rendering their production more efficient. In social studies, on the other hand, innovation means implementing ideas and solutions to create social value.

The Merriam-Webster dictionary gives two definitions of innovation (<https://www.merriam-webster.com/dictionary/innovation>):

1. "a new idea, device, or method".
2. "the act or process of introducing new ideas, devices, or methods".

In the last decades, many definitions of innovation have been formulated (Popa, Preda, & Boldea, 2010). Joseph Schumpeter, the political economist and a pioneer in considering innovation as a lever of economic change (Schumpeter, 1939; 1942; 1947), looked at innovation in terms of five factors:

1. The introduction of a new product, or modifications brought to an existing product.
2. The implementation of a new process in an industry.
3. The discovery of a new market.
4. The development of new sources of supply with raw materials.
5. The establishment of changes in an organization.

Luis Portales (2019) observes that social innovation differentiated by other forms of innovation, e.g., while economic innovation seeks to generate a commercial or financial benefit, social innovation seeks social changes. Table 2 shows the difference between social innovation and other forms of innovation.

Table 2. Comparison of different types of innovation and social innovation (source: Portales, 2019, p. 7).

		Social innovation
Economic	Focused on the generation of income. Commercial motivation	Motivation in social value and transformation of society
Radical	There is no interest to improve the living conditions of excluded populations. They can generate damages or externalities for society	Aim to the improvement of society. Intentionality in social change
Disruptive	Low-cost products and vision of the beneficiaries as a market segment. Commercial motivation	Motivation focused on social value and view the marginalized population as developer actors.
Bottom-up	Change in society at the local level	Change in society at the system level
Social programs	Welfare perspective and preservation of the social structure	Vision based on the empowerment and change of the social structure

From a comparison of several cases, two dimensions of leadership emerge that seemed characteristic of successful social entrepreneurs (Alvord, Brown, & Letts, 2004):

1. Bridging capacity, that enabled leaders to work effectively across many diverse constituencies.
2. Adaptive skills, that enabled them to recognize and respond to changing contextual demands over a long term.

## 7. An Italian Entrepreneurship Experience: Centro Solidareta Giovani “G. Micesio”

To better understand how third sector organizations embrace the principles that characterize social enterprises, emphasizing values such as sustainability and inclusion, let’s take a closer look at the Centro Solidarietà Giovani “G. Micesio.” The center is located in Udine, a city in the Friuli Venezia Giulia Region of northeastern Italy, with a population of approximately 100,000 residents.

### Vision and Mission

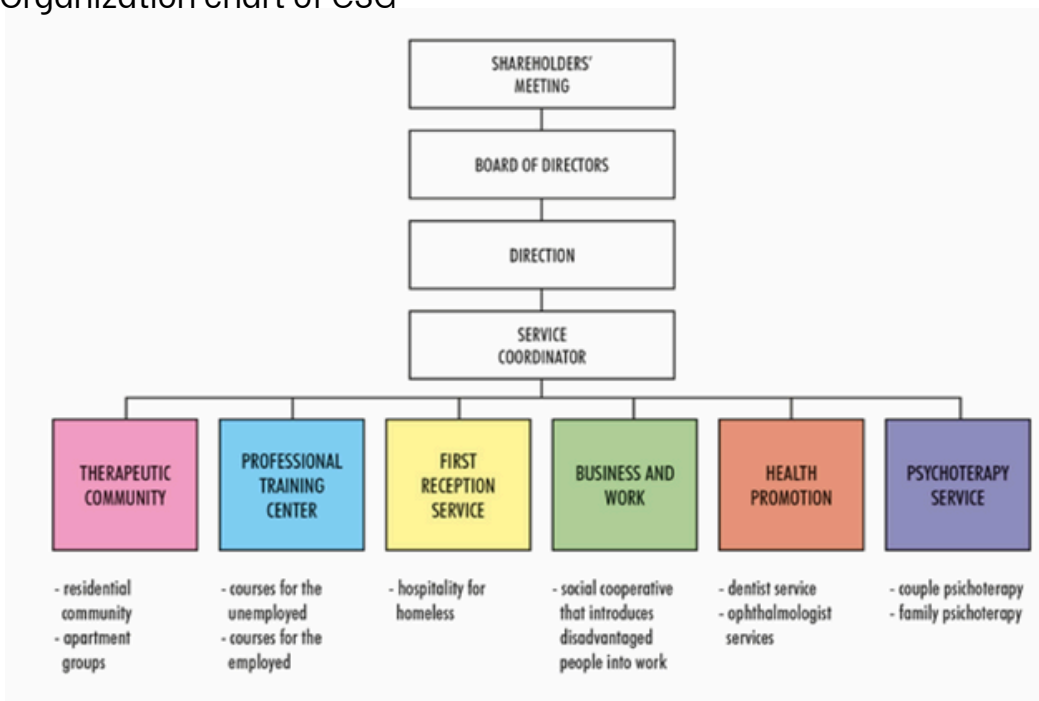
The Centro Solidarietà Giovani “G. Micesio” – CSG aims to provide support to individuals facing various forms of fragility and difficulties, whether permanent or temporary.

Established in the 1980s, the center has gradually expanded and now offers a range of socio-educational, therapeutic, healthcare, training, and employment services. Operating in close collaboration with public and private agencies in the area, these services are organized into six operational units:

- **First Reception Center:** This unit focuses on providing immediate support and assistance to individuals in crisis situations, such as those experiencing homelessness or acute social and economic challenges.
- **Residential Therapeutic Communities:** These communities provide a structured and supportive environment for individuals dealing with addiction or mental health issues. The aim is to promote recovery, rehabilitation, and reintegration into society.
- **Territorial Psychotherapy Services:** This unit offers psychological and therapeutic interventions to individuals, couples, and families facing emotional and psychological difficulties. The services are tailored to meet the specific needs of each person.
- **Health Promotion and Defense:** This unit focuses on promoting health and well-being through preventive initiatives, awareness campaigns, and advocacy for individuals and communities. It aims to enhance the overall quality of life and raise awareness about health-related issues.
- **“.lab“ Vocational Training Center:** This center provides vocational training programs aimed at equipping individuals with the skills and knowledge necessary to enter the job market. It offers various courses and workshops in different fields, preparing participants for employment opportunities.
- **Enterprise & Employment:** This unit focuses on creating employment opportunities for individuals, including job placement, entrepreneurship support, and collaborations with local businesses. It aims to facilitate economic empowerment and sustainable employment for those supported by the center.

The accompanying picture 3 displays the organizational chart of the Centro Solidarietà Giovani “G. Micesio” - CSG, highlighting the structure and interconnections of the operational units and the objectives they pursue.

Figure 3. Organization chart of CSG



Initially, the CSG focused on individuals who sought solace in substance dependence to alleviate their distress. This led to the establishment of the residential therapeutic community, which served as the cornerstone of the center. Over time, the community evolved, establishing closer ties with the local community, volunteers who have consistently supported individuals in their journey of personal reconstruction, institutions that have become necessary partners, and various productive entities that have welcomed individuals to facilitate their vocational integration. A deep understanding of the local context, public services, and the third sector has been crucial for the CSG to build a strong network. This has allowed the center to become a credible interlocutor with local institutions, the healthcare and social sectors, productive entities, and the social private sector. Each node of this network strengthens the possibility of accompanying individuals on a path to rebuilding their identity and embracing a new life in which they are active participants. Integral to the journey towards autonomy is the opportunity to provide individuals with secure access to the world of work. This is achieved through guidance and support in productive environments, such as internships, traineeships, or work grants in collaboration with social and healthcare services. The network that the CSG has created and consolidated over time assumes even greater significance when considering that its positive impact extends beyond the individual. It contributes to the necessary cultural change towards the creation of a genuinely inclusive society. Furthermore, this web of relationships allows for the realization of corporate social responsibility, which often struggles to find concrete implementation in other contexts. The CSG, originally established as a non-profit organization (ONLUS), had to adapt to the changes required by the reform of the third sector, which identified voluntary organizations (ODV) and associations for social promotion (APS) as the main legal forms for social private entities.

### Key points of the third sector reform

Italy has an entrepreneurial ecosystem with a diverse range of businesses. While the country faces certain challenges, such as a complex regulatory environment and bureaucratic hurdles, it has seen a growing interest in startups and innovation in recent years. Italy has a strong culture of entrepreneurship that played a significant role in the social-economy. The Italian government has implemented historically over the years, measures to support entrepreneurship and innovation. These include tax incentives, funding programs, and initiatives to reduce bureaucracy and promote access to finance. Organizations such as the Italian Trade Agency and the National Innovation Fund also provide support and resources to entrepreneurs. Friuli Venezia Giulia is a region located in northeastern Italy, known for its diverse economic landscape. The region has a mix of traditional industries and emerging sectors that offer opportunities for entrepreneurship. Here are some key points about entrepreneurship in Friuli Venezia Giulia:

- **Strategic Location:** Friuli Venezia Giulia benefits from its strategic location, with proximity to Austria and Slovenia. This geographic advantage allows for cross-border collaborations and access to international markets, fostering entrepreneurial opportunities.

- **Traditional Industries:** The region has a strong foundation in traditional industries such as manufacturing, agriculture, and tourism. While these sectors provide a solid economic base, there is also potential for innovation and entrepreneurship within them.
- **Innovation and Research:** Friuli Venezia Giulia hosts research centers, universities, and technology parks that contribute to the development of innovative ideas and technologies. These institutions provide support for research and development, fostering an environment conducive to entrepreneurship.
- **Startups and Incubators:** The region has witnessed a growing startup ecosystem, with the emergence of innovative ventures in various sectors. Incubators, accelerators, and business support organizations play a crucial role in nurturing and supporting these startups, providing mentoring, funding, and networking opportunities.
- **Collaboration and Networks:** Friuli Venezia Giulia encourages collaboration between public and private entities to support entrepreneurship. There are partnerships and networks that bring together entrepreneurs, investors, researchers, and government agencies to facilitate knowledge exchange and create a supportive ecosystem.

The reform of the third sector in Italy has represented a significant step forward in promoting and supporting the action of nonprofit organizations in the country. Started in 2016, the reform introduced new regulatory and legislative tools that have contributed to strengthening the role and impact of third sector organizations on society. The recent Italian reform that impacted third sector organizations (ETSOs) identified the CSG as a Volunteer Organization (Organizzazione di Volontariato - ODV) due to its predominantly general interest activities conducted on behalf of others, with the essential contribution of volunteers. A brief overview is provided on the novelties introduced by the reform to better understand the importance of this sector within a new vision of welfare that complements and sometimes replaces public intervention. One key aspect of the reform was the introduction of the National Unique Register of the Third Sector (RUNTS). This register has allowed for the consolidation of all Italian nonprofit organizations into a single database, facilitating their identification and monitoring by public institutions and citizens. This has improved the transparency and governance of third sector organizations, increasing trust and credibility in these entities.

Furthermore, the reform has fostered the development of partnerships between the third sector, the public sector, and the private sector. This synergy has promoted collaboration and co-creation of innovative solutions to address the country's social challenges. Through tools such as social collaboration contracts, third sector organizations can play an active role in delivering public services, offering specific expertise and tailored responses to community needs.

Additionally, the reform has incentivized corporate social responsibility through the introduction of fiscal measures and incentives for donations to nonprofit organizations. This has encouraged financial support from businesses and has contributed to ensuring greater economic sustainability for third sector organizations.

In conclusion, the reform of the third sector in Italy has represented a significant step forward in promoting and enhancing the actions of nonprofit organizations. Through the implementation of the National Unique Register of the Third Sector, the development of partnerships, and the encouragement of corporate social responsibility the reform has

contributed to strengthening the role of the third sector in building a more inclusive, supportive, and sustainable society.

### Phases of the welcoming project for people with fragility/disabilities

To concretize the vision of third sector organizations operating with a social work perspective aimed at creating an inclusive society, let's explore the pathway implemented within the Centro Solidarietà Giovani when offering training programs for individuals in vulnerable conditions (such as disabilities or disadvantages). The established network involves various stakeholders who place the individual at the center of initiatives aimed at creating or reinforcing paths toward autonomy and social reintegration.

One of the operational units of "Centro Solidarietà Giovani" is the Professional Training Center ".Lab". As an accredited institution, has certain obligations, including the promotion of educational offerings. Therefore, between May and June of each year, promotional courses informations are sent to the relevant services, including health and social services. These courses will be than activated in the subsequent academic year starting in September/October.

The phases of welcoming individuals into the training programs can be summarized as follows:

- **Referral by health and social services** (Social Worker, District Health Officer, SIL Operator). The referral is necessary for us as it may be subject to potential verification by the Regional Training Service Directorate of the Friuli Venezia Giulia region. The referral can be made by email but must clearly state the contact details of the person responsible for the candidate.
- **Initial reception.** The person is invited to the Professional Training Center for an individual orientation session, during which an internal form called "competence analyses" is completed. This phase, based on an assessment by the sending service, can be managed independently by the candidate or can be conducted in the presence of the service and/or the family. This orientation phase aims to assess the candidate's skills, understand their desires and expectations, and determine if the institution can meet them. It also helps determine if any support measures are necessary to ensure a successful outcome.
- **Enrollment in the chosen course.** If the person wishes to proceed, the actual enrollment takes place by completing a regional form. The welcoming phase may also conclude without enrollment, with a referral to another institution or other projects, always in consultation with the sending service.
- **Ongoing monitoring.** Continuous contact is maintained with the services during the training program. Specifically, for students with disabilities, joint meetings are held at predetermined intervals (midway through the program and at the end) in collaboration with the District Health Office, Job Placement. Service (SIL), and Social Services. The representatives from various services can provide observations or feedback at any time.

- **Internship planning.** For courses that include internships in companies, contact is made with the companies that have already expressed their availability during the planning phase, or new suitable companies are contacted (the institution collaborates with both social cooperatives and for-profit companies). Each student is accompanied to the company and introduced to the company tutor, with whom the activities to be carried out are agreed upon. For students who require initial or extended mediation, we try to ensure support by our tutors in the company.
- **Final examination.** Each training program concludes with a final examination, which can be accessed if at least 70% of the scheduled hours have been completed. The aim of courses for people with disabilities and disadvantages is to guarantee “continuous education,” improvement of skills throughout their lives, including not only technical skills but also relational and problem-solving skills.

During the professional training course the Employment Integration Service (SIL) conduces assessments of each individual’s abilities, skills and employment goals. This enables us and this service to develop Personalized strategies and support plans tailored to their specific needs. “SIL” collaborates closely with a network of employers who value diversity and inclusion in their workforce. They seek employment opportunities that match the skills and aspirations of the disables.

Their aim is to facilitate internships, work placements, and direct hiring to ensure a smooth transition into the workplace and give an important contribution to build an inclusive society.

## 8. Conclusion

This chapter introduced and discussed the notion of social entrepreneurship. It has been highlighted how social innovation is an essential component of social entrepreneurship. It has been also tackled the issue of social entrepreneurship and sustainability. Social sustainability is an essential factor to ensure the benefits of social solutions and determine their social impact. What distinguish social and traditional entrepreneurship is that social entrepreneurship pursues the objective to create social value. In this perspective, it appears vital balancing social value creation and social value capture, in order to create a broad range of beneficiaries of a solution but without undermine its sustainability.

This view begins to take hold with the concept of blended value that roots in an integrated approach between economic and social value (Emerson, 2003; Nicholls, 2009; Ostertag, Hahn, & Ince, 2021). Indeed, blended value:

“[...] identifies an increasingly expanding framework of investment and governance approaches where sustainable development and human capabilities empowerment can act as crucial drivers of operations across all sectors of the economy.” (Bengo, Boni, & Sancino, 2022, p. 2).



However, a general issue social entrepreneurship as well as social entrepreneurs: How can we move from a market economy to a market society?

On this regard, it is appealing and challenging the parable told by Pope Francis during lunch, in the Vatican, with a range of policymakers, business people, academics, labor leaders, and charity workers. Mark Carney, who was present at this lunch, reports that to illustrate the difference between humanity and the market, the Pope first observed (Carney, 2021, p. 3):

*“Our meal will be accompanied by wine. Now, wine is many things. It has a bouquet, colour and richness of taste that all complement the food. It has alcohol that can enliven the mind. Wine enriches all our senses.*

*At the end of our feast, we will have grappa. Grappa is one thing: alcohol. Grappa is wine distilled.”*

Then he continued:

*“Humanity is many things – passionate, curious, rational, altruistic, creative, self-interested. The market is one thing: self-interested. The market is humanity distilled.”*

And, finally, he concluded by challenging the participants:

*“Your job is to turn the grappa back into wine, to turn the market back into humanity.”*

Carney observed that the Pope Francis parable was not theology: it was reality, it was the truth. We completely agree with him,

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## 9. Key Terms and Definitions

**Blended Value Theory:** it posits that value is whole and nondivisible, generated through the interaction over time of three primary value components: social, economic, and environmental.

**Grounded theory:** it is a systematic methodology that has been largely applied to qualitative research. It was introduced by Glaser & Strauss in 1967 to legitimize qualitative research. The methodology involves the construction of hypotheses and theories through the collecting and analysis of data.

**Third Sector:** It is an umbrella term that covers a range of different types of organizations that are neither public nor profit-making private. Third sector organisations include:

- Charities
- Voluntary and community organizations
- Social enterprises and cooperatives
- No profit Non-Governmental Organizations
- Think tanks and private research institutes (this does not include universities and colleges)

# Institute Development Of Entrepreneurship

**Institute of Entrepreneurship Development (iED)** is a Greek non-profit, civil society organisation committed to the promotion of innovation and the enhancement of the entrepreneurial spirit. With a strong commitment to social entrepreneurship, iED actively promotes social and economic development, particularly in areas such as health, education, social infrastructure, and human rights.



Established in 2005 in Larissa, Greece, iED is a certified Center of Excellence in European entrepreneurship and a Digital Innovation Hub, registered as a member of the European Commission's catalogue of DIHs, that recognizes entrepreneurship as a crucial factor for the future of sustainable development and cohesion of societies.

Over the 18 years of activity, iED participated in the planning, implementation and dissemination of more than 250 EU projects. iED have a wide spectrum of expertise; an indicative list would be the following fields:

- **Social Entrepreneurship:** Conducting research and providing innovative solutions that facilitate the growth of entrepreneurship, innovative actions, and strategic visioning across Europe
- **Social Inclusion & Integration:** Aiming to achieve gender equality and improve the social integration of vulnerable groups (NEETs, migrants, people with disabilities, young people from rural areas etc.) by identifying skills gaps, investing in comprehensive career guidance, and cultivating new competencies for successful labour market inclusion
- **VET, Adult Education & E-learning:** Diagnosing and fulfilling the educational and training needs of individuals and groups by developing an array of training curricula and customized courses, instructional programs, educational platforms, e-learning applications, and material.
- **Green & Sustainability:** Educating people and companies in green technology and sustainable living, by developing technology platforms and training material to help cultivate the much-needed skills and competencies
- **Digital Transformation & ICT:** Educating people and companies in the digital mentality, and technology platforms, and connecting them with entrepreneurial mindset as a driver of innovation tools to achieve digital transformation
- **Innovative Business Models and SMEs support:** Identifying and developing profitable innovative business models for startups, projects, SMEs and companies in all industries, to increase efficiency and sustainable impact. Assisting the local and international startup and SME ecosystems by providing personalized training solutions, business guidance and funding opportunities.

## II. Competence and skills of a social entrepreneur

**Authors: Pantou Anastasia, Gkountopoulou Maria - Larissa, Greece**

### 1. Main aspects of social entrepreneurship

#### A. Introduction

The importance of entrepreneurship for economic growth and development is easy to understand. However, when most people think about entrepreneurship, they tend to think of it as an innate ability or talent. Hence the debates about education versus nature that lie behind the political issue of “educating“ individuals to become entrepreneurs. However, this debate misses an important point, as it ignores the regulatory influence of national context and institutions in shaping entrepreneurship [1]. When we focus myopically on the supply of entrepreneurs, policymakers ignore that often the real bottleneck is not the supply, but the quality of entrepreneurial efforts that we observe in any given economy. This is why institutions and incentives are important: they regulate how entrepreneurial effort is channeled into productive use. Depending on the institutions and incentives, entrepreneurial effort may be channeled into productive or non-productive uses and may not materialize into new business activities at all. Thus, the incidence as well as the forms of entrepreneurship we observe in different countries will be influenced by institutional structures, level of development, and cultural and political factors per country. For many analysts of developed economies, the existence of a complex framework of constraints, created and imposed by institutions, is simply taken for granted and not specifically addressed. Thus, it is possible to largely “ignore“ the impact of institutions in advanced market economies where, for the most part, market institutions are present and functioning. However, there is increasing recognition of the importance of the institutional environment not only for entrepreneurship, but also for enhancing national economic growth and stability.

[1] Batjargal (2003), Hwang and Powell (2005), Boettke and Coyne (2009).

#### B. Incentives, institutions, and entrepreneurship

As Baumol pointed out in his seminal work, entrepreneurship development is a continuous process. The types of entrepreneurs who become “active“ (essentially “start“ their businesses) are heavily influenced by the existing incentive structure resulting from the combination of the formal and informal institutions discussed above, such as rules, norms and beliefs that exist in a given environment[2].

The dynamics of the entrepreneurial process can be very different depending on the incentive structure in a particular economy. As institutions are strengthened, in the sense of supporting market-based economic activity, more and more entrepreneurial activities shift towards productive entrepreneurship, thus enhancing economic growth and development. Therefore, it is important to understand not only the individual characteristics of the entrepreneur but also the context within which the entrepreneur operates: the incentives, the institutions as well as the stage of economic development. The interdependence between incentives and institutions also affects other characteristics such as the quality of governance, access to capital and other resources and what entrepreneurs perceive. Institutions are determinants of economic behaviour and economic transactions in general and can have direct and indirect effects on the supply and demand of entrepreneurs.

[2] Baumol (1990) p 12.

### **C. Key institutions for entrepreneurship**

Informal institutions based on networks can have a positive impact on business development. In the absence of strong forms of market support, informal structures such as networks can become important, helping entrepreneurs to mobilise resources, and overcome the constraints of highly bureaucratic structures. Networks have proven to be important for access to resources (such as information, finance, and labour) as well as for enhancing the entrepreneur's ability to identify opportunities [3]. Social networks have also been recognised as a precedent for entrepreneurial alertness which is a prerequisite for opportunity identification. Some scholars have argued that a cohesive or densely integrated network provides a competitive advantage for entrepreneurs, but others have suggested that sparsely connected networks full of "structural holes" provide a competitive advantage [4]. In weak institutional environments, networks between firms and functionaries are paramount for firm survival and growth. New firms without such connections are in most cases expected to fail. You will learn more about networking in chapter 4 of this course.

[3] Hills et al (1997) p 26. [4] Burt (1992) pp 26-28.

### **D. Case Study: Institutions and the GEDI (Global Entrepreneurship and Development Institute) Index**

The GEDI index represents the first attempt to measure productive entrepreneurship at the national level, embedded in a specific institutional framework. As such, the rankings generated by the index go beyond the values of traditional start-up indicators, such as the Total Entrepreneurship Index (TEA) produced by the Global Business Entrepreneurship Monitor, by integrating measures of national entrepreneurial activity with country-specific measures of institutional quality. The GEDI framework is based on the idea that entrepreneurship represents the dynamic response of three factors, each of which represents the integration of individual behavioral and institutional variables.

These are entrepreneurial attitudes: entrepreneurial activity and entrepreneurial aspirations respectively. For each, individuals' particular talents for entrepreneurship are weighed against the national institutional context in which entrepreneurial activity takes place. Thus, for example, entrepreneurial activity is measured by various indicators of a start-up activity, derived from the GEM database. However, in the GEDI, they are weighted by institutional quality indicators, in particular institutional quality indicators from internationally recognised organisations such as the World Economic Forum and the Heritage Foundation. Thus, the index is based on information from Baumol that the impact of entrepreneurial effort on economic growth will depend on the national institutional framework in which these efforts are placed.

Specifically, in the GEDI, institutional influences are divided into three sub-indicators: Business behavior, business actions and expectations. Institutional measures of "Entrepreneurial Behavior" relate to market size, education level, the general entrepreneurial riskiness of a country, the use of the Internet by the population and cultural support for entrepreneurship as a good career choice. The institutional variables included in the Entrepreneurial Action sub-indicator measure the business regulatory environment, the ability to absorb technology, the extent of existing improvements in human resources through staff training and the dominance of strong business groups in the domestic market. Finally, the sub-indicator "Business Expectations" includes institutional variables measuring the R&D potential, the quality of business and innovation, the level of globalization and the availability of venture capital.

One of the key criteria for formulating the GEDI is the selection of key institutional (and sub-variables) that affect business performance. Although "property rights" and "rule of law" are considered key factors affecting business development and performance, tending to cover a wide range of issues, there are currently no internationally accepted measures that include the participating countries in the GEDI index. Instead, the GEDI index captures aspects of property rights through the "Freedom" variable, which represents the overall regulatory burden of starting, operating and closing a business. In general, the institutional variables included in the GEDI tend to be highly correlated with each other.

## 2. The dynamics of entrepreneurship and the entrepreneur

### A. Why is entrepreneurship important?

Entrepreneurship, i.e., the effort to create new businesses, promotes local and national economic growth, creates jobs, and helps disadvantaged groups, in particular young people and youth, to find employment, thus contributing to the removal of marginalization and strengthening social cohesion.

Above all, however, the creation of a business is the individual act of a risk-taker, a person who is often unprepared. The success or failure of his or her entrepreneurial activity depends primarily on his or her personality traits, the skills, and abilities he or she possesses and develops, methodicalness, perseverance, optimism, a willingness to make personal commitments and take risks, good information and a good knowledge of the subject matter.

## B. Are entrepreneurs born or made?

Although there are gifted individuals who are born to be entrepreneurs, research shows that even those who do not have an innate talent for entrepreneurship can learn to be creative by acquiring and cultivating all the characteristics that will enable them to become a good and successful entrepreneur.

Success is, of course, never guaranteed, but it can be judged by a number of factors, the most important of which are one's own motivation, personal ambition and, secondly, personal choice, goals, objectives, and the way in which they are achieved.

## C. Motivation of the Entrepreneur

Individuals are motivated to engage in entrepreneurial activity by certain incentives. The main ones are the following:

- **Profit.** Financial reward is one of the most important motives, perhaps the most important. Entrepreneurs expect a return on investment that will not only compensate them for the time and money they have invested but will also reward them well for the risks and initiatives they take in their business.
- **Independence.** The freedom to work independently is another reward – and certainly an incentive – for entrepreneurship. It is very common to hear the phrase “I want to be my own boss“ or “I don't want to have anyone over my head“.
- **Personal and professional achievement.** The growth of a business is based, among other things, on the entrepreneur's intention to develop his or her personal skills and abilities. To be a successful entrepreneur, one needs to be able to cope with risk, uncertainty, stress, to handle complex interpersonal relationships adequately and to manage the business with limited resources. Many people become entrepreneurs in order to experience this sense of personal fulfilment and self-fulfillment that comes from creating an integrated and productive entity such as a proper business.
- **An alternative to an unsatisfying job.** Many entrepreneurs have previously been managers or workers in general in other businesses. While there was no risk of being fired, at some point they found that their job was no longer satisfying. Others realized that their chances of progression were limited, and this was obviously not at all motivating for them. There is another category, however, of those who started their business as a second job and, when they found that it was going very well, left their paid employment and went into business for themselves.
- **The existing family business is an equally good incentive for entrepreneurship.** It is a common phenomenon that mainly boys, children of entrepreneurs, take over and continue or expand the family business. However, it is important for the future entrepreneur to be motivated by a personal desire to engage in entrepreneurial activity and not to have this professional choice imposed on him or her directly or indirectly, either by the family, by financial packages or by other external factors.



## D. The New Entrepreneur's Skills

In any case, the future entrepreneur, like any prospective employee, must be aware of his or her capabilities, strengths, desires, and limits, in order either to achieve maximum performance or to avoid difficult investments or to cultivate certain traits that are amenable to intervention. Δ In other words, to acquire 'self-awareness', knowledge of his personality.

The elements that make up the personality picture are the following:

- **The personal characteristics.** That is, those individual elements which are unique to each person and which relate to the way he or she thinks, behaves, feels, reacts and copes with different situations.
- **Advantages – Disadvantages.** A person's particular aptitudes, talents, but also his or her disadvantages are also special characteristics. In some activities that a person undertakes in the course of his or her life, he or she perceives that he or she is better off, i.e. that his or her performance is high, while in others he or she feels disadvantaged, i.e. that his or her performance is average. In this way he identifies and realises his strengths and weaknesses. It is also important for him to be aware that a characteristic, such as spontaneity, may at one point in his life be an asset and help him, while at another it may be an obstacle to his development. May I? Can I do better? These are the questions to which he is called upon to respond each time he takes action.
- **Interesting.** An interest is anything that makes a particular impression on a person, something that he or she notices more, without knowing exactly why. It is all the things he likes to do, without having to apologise for them or having to document his preferences.
- **Important or Indifferent.** These consist of the 'hidden criteria' by which a person understands and interprets the behavior of people and the situations around him and the importance he attaches to various events or things which determine his personal values and ambitions, so that he can better evaluate his choices (personal, educational, and professional). Whatever he is most attracted to and values as important will be his compass in the search for his choices. Professional values, which are nothing more than the 'rewards' that people seek from their professional activity, therefore belong to this category.

The above refers to the innate gifts of each person, which are an integral part of his personality and are of course a permanent acquisition, whether one has them or not. On the contrary, the acquired characteristics of an individual, the so-called skills, can be improved through systematic effort and practice and affect the way the individual functions and deals with various issues in his or her personal and social life.

## E. Competences of the Entrepreneur

The skills that help to develop the competences of the entrepreneur are those of:

- Communication
- Adaptability
- Tolerance – Broad-mindedness

- Acceptance of diversity
- Cooperation
- Quick reaction to challenges
- Resourcefulness
- Initiative and decision-making
- Managing choices and prioritizing

## **F. Theoretical approaches**

Various theories have been developed and different views expressed on the model of the successful entrepreneur. According to most research on entrepreneurs and their behavior by Bolton and Thompson (2000:3), where they studied the background of entrepreneurs, it appears that entrepreneurs are normal people with normal backgrounds. No two entrepreneurs are the same. So, it is very difficult to distinguish - to define exactly who is a successful entrepreneur. Some are extroverted others introverted, some have a family history in business while others do not, some start because of poverty - financial stagnation while others start with financial comfort, some are young, and some are older in age.

Brazeal and Herbert (1999) consider that there are three factors of entrepreneurship that should be studied: change, innovation, and creativity. They consider that these factors, in combination with the initiation of entrepreneurial activity, should be the basis for the continuity and stability of entrepreneurship.

It is generally known in the entrepreneurship literature that entrepreneurship is about people who are quick to recognize new opportunities. Entrepreneurs are tenacious, passionate, adaptable, and able to take risks.

### **Finally, is the entrepreneur born or made?**

Several scholars such as Faris (1991:20), Cohen (1980) and Jacobowitz argue that the development of entrepreneurship by an individual is due to genetic factors, recognizing that entrepreneurial behavior is static, i.e., it is not changed over time or by experience. According to Sapiro and Ajzen, entrepreneurship is based on the interaction between personal characteristics, expectations, values, beliefs, background, and environment. However, most scientists argue that entrepreneurs are not born that way, but 'learned to be'. Modern college and university curricula provide this opportunity, i.e., entrepreneurship is now successfully taught. Several surveys show that some young people are driven into self-employment to be independent and flexible, others because of a lack of job opportunities or labour market barriers, and others for family reasons. Sunter (1999:60) argues that 'an entrepreneur is made', saying among other things that anyone can open a small business by putting their mind to it. The last part of the sentence is the most important qualification.

The orientation of the school does not help the situation at all. It is still as if everything is static - certainly in society. The classic educational paradigm is hard work and high grades rewarded by a nice 9.00 to 17.00 career, five days a week for forty years.

In conclusion, there is no ideal profile for the successful entrepreneur... The entrepreneur's total dedication to what he or she does, a constant passion for his or her work, hard work, order, and housekeeping seem to be the primary characteristics that distinguish a successful entrepreneur, with ideas and luck as his or her companions, and then everything else.

### 3. The characteristics of the Entrepreneur

With regard to the characteristics of an entrepreneur, it is obviously not possible to identify with absolute clarity the elements that distinguish or should distinguish an entrepreneur. However, we can point to a number of parameters that are very close to the profile of an entrepreneur or a person who wants to develop business activities. The following can be mentioned as such.

- **Great predisposition for success.** Individuals possessed of a high degree of need for success like to strive for some standard of performance and prefer to be personally responsible for the tasks they are to perform. This drive to succeed seems to be strong in people who have the ambition to start their own business and lead it along the path of growth.
- **A willingness to take risks.** The risks that an entrepreneur takes when starting and running his/her business are manifold. One risk is of course financial, the potential loss of money invested in the business. In addition, the stress experienced by entrepreneurs and the time required to start and run a business often create risks and general problems in their personal and family life. However, there can also be a strong sense of psychological risk because of the possibility of failure.
- **Self- confidence.** Confident individuals believe that they can cope with various challenges. They have a particular ability to cope with and solve the various problems they face. Several studies have shown that most successful entrepreneurs see problems when they start a venture but rely on themselves to overcome them.
- **Need to find “shelter“.** Many people start businesses to benefit from the rewards involved, but others become entrepreneurs because they want to 'escape' from the ordinary, mundane and take on a multifaceted activity with constant change and diversification.

#### A. The activities of the Entrepreneur

The activities undertaken by an entrepreneur, the functions he performs, the tasks he undertakes vary according to the type and size of the business. They are, however, a combination of the activities carried out by a manager and those that characterize a creative and innovative person. The main ones are:

- **Risk taking.** Some researchers have argued that this, i.e., the assumption of risks arising from uncertainty in economic life, is the real and essential activity of entrepreneurship. These risks, which cannot be predicted and calculated, are faced by the entrepreneur.
- **The identification of profit opportunities.** The entrepreneur, having special knowledge and obtaining information from the market, tries to identify the various profit opportunities, which are usually not obvious to many people.
- **The introduction of innovations.** The entrepreneur tries to use and exploit the various scientific and technological discoveries for productive and profit-making purposes.
- **Planning.** This refers to decisions about the products or services the firm will provide and the markets it will serve, where the firm will be located, its methods of production and sources of finance, as well as the planning of its activities once it is up and running.

- **The organisation.** Issues of business organisation are often neglected by entrepreneurs at the start of their business as other issues take priority. However, issues such as the organizational structure of the business, work planning, departmentalization, delegation of authority and many others, need to be clarified at the outset and certainly should be a concern of the entrepreneur thereafter.
- **Control.** The control function is essential throughout the life of the enterprise, but it plays a special role in the start-up. Then everything must be thoroughly checked, because it is important both to get things right from the start and to avoid fostering a false sense of control among employees.
- **The management of people.** Effective management and motivation of employees is a critical component of successful entrepreneurship. Employees should be encouraged by the entrepreneur to work towards the achievement of the firm's goals, understand the type of work for which they are responsible, be rewarded by the entrepreneur when their performance is good, and the entrepreneur should create an environment that supports employees' efforts and meets their needs.

## **B. Questions and concerns for each potential entrepreneur**

Before embarking on an entrepreneurial activity, it is advisable for the prospective entrepreneur to subject himself or herself to a self-assessment of his or her own suitability in terms of the elements that determine whether or not he or she has the requisite entrepreneurial capacity. To this end, the Hellenic Organisation of Small and Medium Enterprises and Handicrafts (EOMMEX) has attempted to produce an indicative booklet - questionnaire with simple basic questions, which investigate empirically at an initial stage the degree of suitability of the entrepreneur.

## **C. Are you suited to being an entrepreneur?**

Before you start your own business, you should see if you are fit to be an entrepreneur. The following points will be useful enough to help you make your decision:

- Do you have the skills, energy and perseverance needed to get a business off the ground and make it thrive?
- Have you ever asked your family to give you their objective opinion on whether you can really get on in your own business?
- Are you prepared to work hard and long hours to set up your business?
- Is your health good enough to withstand the demands of your business?
- Are you the type who likes to take on responsibilities and risks?
- Are you able to make your own decisions?
- Have you ever thought about where you fall short? And if so, would you be willing to partner with someone who has the skills you lack?
- Do you consider yourself a cooperative person?
- Can you lead and motivate others?
- Can you finish something you start?
- Are you ready to quit your job as an employee?
- Do you have the air of a winner?
- Finally, do you have enough savings to support your family and start your business?

## **D. What funds will you need?**

Do you know how much you will need to start the business? Have you calculated the profitability and return on investment? Prepare a budget taking the following into account:

How much you will need before you start the business for:

- Buildings (purchase, rent, configuration)
- Transport
- Raw materials
- Working capital
- General expenses
- Heating, electricity, cleaning
- Staff and entrepreneurial fees
- Interest
- Advertising
- Business insurance

Once you have determined the total amount of money you will need, calculate how much of your own capital you can put into the business. Do you have other assets that you could sell or use as collateral for a loan? Do you have reasonable grounds to be confident that you will get the loan you are going to apply for and do you know the procedures required? Are you aware of the deadlines for the release of any grants you may apply for? Have you calculated what credits you could secure from suppliers? Are you aware of other sources of funding available such as Community programmes, grants, etc.?

## **E. What is the market situation (market research)?**

If you have come up with the type of business you want to start, try to put your idea into practice. At this stage the key questions to be answered are:

- Who are your potential customers?
- How many are they?
- Are they already buying the product or service you intend to sell?
- How can you reach them?
- Have you noticed how your competitors are acting to contact customers?
- What is the price you can sell your product for?
- Who are your competitors? Their disadvantages and advantages.

Try to visit them, possibly by presenting yourself as a customer. Do not ignore the existence of indirect competitors (they do not practice the same profession but sell to your potential customers). Position each of the products you intend to sell in relation to those of your competitors according to the following criteria (degree of renewal, age, price level, quality, positioning in the product range). If a product idea is new, you may need to test it on the market. Your competitors may want to copy you soon. If this happens, can you protect yourself from this copying? Have you considered the possibility of a possible partnership with the company you are currently working for?

Perhaps you could become a subcontractor of your current employer.

- Would the people you currently work with trust you if you did something on your own?
- Have you spoken to someone who has already set up their own business?
- Have you observed your current employer to look closely at how they run their business? Have you investigated the possibility of buying a business that already exists or franchising?

For the latter case you need to have sufficient funds to take over an existing business and also have considerable experience to negotiate with people who want to give away their business. If what you want to do is small enough, then you may be able to find the answers to the above questions yourself. If not, then market research by professionals can help you. It is always useful to have another person look objectively at your idea and identify the weak points or what needs to be improved. In any case, information can be gathered from specialised bodies, libraries, statistical offices, chambers of commerce, sectoral institutes, sectoral publications, trade fairs, gold guides, local newspapers.

#### 4. Social Entrepreneur's Methodology

Social enterprises are a relatively new economic phenomenon; they face complex requirements in a turbulent environment (Defourny & Nyssens, 2010). That is why many social enterprises need business support and mentoring as well as identification of different models of successful work. A number of studies have concluded that effective support includes consultations and training (Allinson, Braidford, Houston, Robinson, & Stone, 2011; SESBA 02, 2016).

Social enterprises are created to achieve social objectives (overcoming social injustice and social inequalities of vulnerable groups of people or achieve important public goals in the fields of ecology and sustainable development) and subject their economic activity to goals of profit in favor of individuals. Social enterprises pursue a direct leading goal to create social benefits in the public interest or for their members.

Social enterprises seek mainly support and consultations from experienced practicing business consultants and advisors who not only understand the social sector but also possess the necessary skills, qualifications, and competencies to provide quality advice. The support and promotion of social enterprises can contribute to maximizing their growth potential and capacity to create social added value, expressed in terms of job creation, creative approaches to small business, new opportunities for social inclusion and income development activities of civil organizations. The main lack of support is the existence of a significant gap between the current and the desired state of knowledge, skills and competencies of business advisors and the need to overcome this gap through training and improvement of qualification.

The professional profile of the business advisors of social enterprises regarding the existing qualifications, skills and needs in the context of the European Qualifications Framework for Lifelong Learning (EQF) and its implementation in Bulgaria, shows poor development of these activities at national level.

An assessment of the sector and a study of the existing practices have shown that social enterprises need additional capacity, both in the development of projects to bring additional funding, as well as in the development of organizational capacity, strategic and business planning. Further training is needed in the field of business planning, accounting, financial management, marketing, partnership building and coalitions, fund-raising, etc. (Terziev et al., 2016a).

Specialized trainings in social entrepreneurship and consultancy tools provided to business advisors are considered to be oriented towards the acquisition of knowledge, skills and competencies in the field of management and communication, with a special emphasis on social entrepreneurship, social innovation and skills (Terziev et al., 2016b). It is provided through targeted planning training activities that meet training needs and contemporary training methods and approaches as part of the lifelong learning concept. By appreciating the need for social entrepreneurship education, business advisors focus on strategic management, business planning, participation in funding programs, legal services and market access. The need for training in the area of marketing analysis, technology and leadership is regarded as acquisition of key skills necessary for working in external environment.

The fields of specialized trainings in social entrepreneurship vary according to the consultancy services but they are aimed at management, planning and business development. The personal competencies and interpersonal skills necessary for the work of business consultants and advisors include communication, collaboration and presentation skills, analytical and critical thinking skills, organizational skills, problem-solving skills, innovative thinking, leadership skills, teamwork, time management and digital skills. Their duties and tasks are focused on providing support in various fields, especially business planning, business development and management, project management, training, coaching and mentoring. It is necessary the good practices and training models for acquiring skills and additional qualifications to be found and promoted, as well as to create conditions for sharing good examples through creation of national and international networks for exchange of knowledge and experience.

## A. Methods

- **Data Skills and Competence for Social Business Advisors** In this section, the issues related to this study have been discussed in the following subheadings: Relationship between skills and competences for social business advisors и Challenges and needs of training of the social business advisers – empirical review and theoretical framework.
- **Relationship between Skills and Competences for Social Business Advisors.** Data Social enterprises play an important role in society by providing employment to people who are difficult to compete in the main labour market (Terziev et al., 2016c). Many social enterprises that need business support and mentoring are facing challenges in identifying different work patterns. Working in them requires flexibility, skills, competencies to address the challenges of the environment. It is considered that external consultants or business advisors are not fully aware of these differences and their impact (Allinson et al., 2011).

The development of the skills and competencies of business advisors aim to improve awareness and partnership relations with social enterprises. This development is based on the personal experience and achievements of business advisors, which it provides in the form of professional advice on a range of topics related to the social enterprises. The knowledge, competence, and awareness of the business advisors is the ability to understand the expectations of social entrepreneurs and to decide how these expectations should be met. The relationship between the skills and competencies of business advisors reflects the role of business advisors to identify the opportunities for improvement of social enterprise services and development of professional networks in the field of social entrepreneurship. The main role of business advisors in advising social entrepreneurs is an advisory role. Business advisors have responsibility for decision-making and management within the framework of their joint work. The main skills of social advisors targeted at social entrepreneurship could be presented as follows in Table 1 (SESBA O2, 2016).

As a whole, the skills and competencies of business advisors intended for social entrepreneurs are focused on the effective management of a portfolio of clients participating in a variety of funded/sponsored schemes, programs and initiatives in order to help them and support the creation and sustainability of their own business, assistance of business planning, business development and management, project management, training or mentoring.

## **B. Challenges and Needs of Training of the Social Business Advisors**

Assessing the training need of business advisors is essential to ensure the effective development of their skills and competencies. As Kaufman stated, “Need is the gap between current and desired (or required) results, or (stated another way) the gap in results between what is and what should be” (1994, p.14, as cited in Iqbal & Khan, 2011). Gupta, Sleezer, and Russ-Eft (2007) noted that a learning or performance gap between the current condition and the desired condition is called a “need”. According to the literature training, needs analysis is a process of identifying problems that are signaled by deficiencies in compliance with standards or external requirements and that can be resolved wholly or partly by training (Goldstein, 1993). The main purpose of a training need analysis is to perform a systematic exploration of the way things are and the way they should be; it is about the definition of the performance gap. According to Tracey (2004, p. 678), “The first step in the training process is designed to identify performance gaps that can be remedied by training. It consists of surveillance, investigation, and data analysis.” In order to provide a comprehensive training need analysis, an assessment is needed in order to obtain information on the two states (current versus desired), compare them, identify gaps, and arrive at needs-based priorities for further actions (Altschuld & Lepicki 2010, as cited in Iqbal & Khan, 2010).

For the purposes of the study we assume that the gap is the difference between what business advisors know and are capable of and what they should know and be capable of in order to provide advisory services customized to social entrepreneurs needs and culture. In this framework, the analysis of training needs is the identification of the gap between the status quo, the current situation,



and the necessary situation in providing business consultations with regard to the need of skills, in particular in providing services to social entrepreneurs and businesses. The main highlights of the analysis should include the following questions: identification of the existing qualifications of business advisors, including education, specialization, professional experience; identification of the interpersonal skills and competencies of those working in the business consultancy sector; identification of characteristics of effective support for social entrepreneurs; assessment of the skills requirements regarding the provision of support in the field of social entrepreneurship with a focus on techniques for consultancy support; assessment of business consultants' lack of skills in the field of social entrepreneurship and support of social enterprises.

Therefore, the analysis of the training needs depends on:

- the extent to which it can accurately diagnose the current situation;
- the extent to which all persons directly involved are able to realistically and accurately describe capacity, services provision, objectives, plans, strategies, etc.
- the degree to which external factors such as the characteristics of social entrepreneurs themselves, changes in the field, state policies and similar issues are taken into account.
- the degree of understanding of future developments and the accuracy of predictions, etc.

According to the international literature, the implementation of training need analysis usually examines training needs at three levels: organizational, task and individual (Gupta et al., 2007). Training assessment at the organizational level aims at the identification of all the necessary interventions for the development of the effectiveness of organization staff members. It deals with the impact of institutional changes, the enhancement of revenues, changes in technologies and general issues that influence the organizations and the effectiveness of labour. At this level, legal documents, official papers, business plans, reports, expert opinions are used. Training needs assessment at task level aims to identify the necessary knowledge, skills and qualifications of persons in order for them to be able to achieve the ideal point of effectiveness in specific tasks.

The assessment of training at organizational level aims at identifying all necessary interventions to develop the effectiveness of the staff members of an organization. It examines the impact of institutional changes, the increased incomes, the technological changes as well as the general issues that affect organizations and work efficiency. At individual level, the analysis of the need for training refers to the determination of the differences between the available and the desired knowledge and skills necessary for the adequate implementation of a task and focuses mainly on the individuals themselves. Given these levels and the fact that business advisors providing services to social enterprises can have different employee status (they can be independent employees or employees in other economic entities – private or public), the analysis of the training needs should include the three levels, with different limiting ranges according to the objectives set.

## C. Research Design

The survey presents the results of a pilot study held in Bulgaria under the SESBA Project – Social Enterprise Skills for Business advisors. The field studies were carried out on the basis of primary and secondary data. The collection of the primary data was carried out in two parts. The first part included a questionnaire survey to collect information and data by using a face-to-face interview. One hundred and four representatives of different types of organizations from the South Central Region /SCR/, administrative district of Plovdiv were interviewed. About 47% of the social enterprises of SCR were concentrated in the administrative district of Plovdiv. The share of non-financial enterprises identifying themselves as social enterprises was 66% and 34% for those identifying themselves as non-profit enterprises. The survey included representatives of small and medium-sized enterprises, social enterprises, training and nongovernmental organizations which support social entrepreneurs or provide consultancy services on the following issues:

- Types of organizations providing consulting to social entrepreneurs,
- Business advisory offered to social entrepreneurs,
- Supporting frame for social entrepreneurship start up, and
- Social entrepreneurs need for advisory.

In the second part of the study, the following information gathering techniques were applied for the purposes of this analysis of the training needs of business advisors: Review of existing documents, Individual interviews, and Discussions with relevant bodies/stakeholders. These techniques were also supported by a survey, which included structured questions to the following experts: business advisory entities; business advisors as individuals; social entrepreneurs. 10 representatives were interviewed from each group.

The secondary data were extracted from official data, reports and official websites, etc. The main issues which were explored concerned:

- Job profile of business advisors (duties and tasks, knowledge, skills, education specialization, career paths, legal framework, employment status, trends and prospects).
- Existing qualifications, skills and further needs.
- The need for business support from social entrepreneurs and ways of exploitation of business support.
- Supply of business support from business advisors (at all the stages of the development of a social enterprise).
- Factors influencing demand for business support (lack of awareness, social entrepreneurs' perceptions of business support, etc.).
- Ways of developing demand for business support.
- The requirements of business advisors providing services to social entrepreneurs and ways for effective support to social enterprises.

## D. Results and Discussion

The biggest share belonged to the respondents who identified themselves in the category of business enterprises (59%). Representatives of regional bodies providing support to enterprises or consultancy services (13%) were also well represented as well as the representatives of training organizations (8%). The majority of respondents were in the age group from 30 to 55 years (67%) and had university education (82%) since the study was oriented towards representatives of organizations who performed expert functions or held managerial positions. The current skills, the acquired qualifications, the competencies and expertise of respondents were mainly in the following areas: work in cooperatives, including social cooperatives; work in the social sector; work with children, persons and families of risk groups; work with people from social facilities; volunteer work; work as a lecturer, incl. training of children with special educational needs; work as an accountant, incl. of social enterprises; experience abroad (Canada), incl. observations on the development of social entrepreneurship; management of human resources in the enterprise; work in a non-governmental organization; work in municipal structures.

The specialized skills and competencies in social entrepreneurship and consultancy tools provided to business advisors were oriented towards the main goals and aspirations of the business organizations. The ambition of the respondents was to acquire skills to achieve responsibility and profit, followed by social values and professional relations, communication with the external environment and career development. Placing the responsibility before the profit is indicative of the general opinion on the need to change to new business models oriented towards something more than just profit, in particular, linking the activities of organizations to significant social goals. The ambition for achieving professional development was clearly outlined. The role of professional relations raises some important issues in front of the business advisors regarding the following: identification of the existing qualifications of business advisors, including education, specialization, expertise; what the important goals to be achieved are and what skills should be acquired, how they should be acquired and what actions should be undertaken to develop them; what type of training should be undertaken as part of the lifelong learning concept; identification of the interpersonal skills and competencies to provide business advice and which of the upcoming skills should continue to evolve and what new relationships should be built. The deliberate pursuit of social value opportunities challenges business advisors to work on skills for developing strategies to maximize their social impact. The issue of personal relationships shows larger variations in comparison to the rest, and when the results are averaged it takes the last place.

Business advisors often believe that the needs of support for social enterprises are broadly similar to those for traditional enterprises. Sometimes, however, the decision-making process and the provision of support in the social enterprise are complicated due to the social cause and objectives. The study showed some specifics of the needs and requirements of social enterprises, as well as the key differences between traditional and social business support models. Social enterprises need support related to consultation and training.

Regarding the need of types of consultancy services, the respondents strongly emphasized those services in the field of management, financing of activities and participation in funding programs, fund-raising, strategic management, legal services and access to markets. Consultancy services in the field of business planning, technology, marketing analysis and participation leadership also received a good assessment. Business advisors face a number of obligations and tasks when providing services to social enterprises. They should be aware of their role and scope within the social enterprise. A set of skills and qualifications are needed to enable the advisors to provide their services most effectively. The required skills and competencies vary depending on the nature of the consultancy services, but they are mainly focused on business management and business development.

The assessment of entrepreneurial skills in social enterprises ranges from good to very good for all of the skills listed in the following descending gradation: management; teamwork; initiative; communication skills; openness to change; innovation; organizational structure and culture; independent decision making; identifying new business opportunities; pro-activity; volunteer management; risk assessment and management; understanding the motivation and views of stakeholders; relation to local communities; cooperation with local authorities and institutions; networking; adaptability; creative thinking in vague problems; problem definition, opportunities and solutions to create value; participatory leadership; resistance to and learning through mistakes; action after analysis; democratic governance; obtaining legitimacy; pursuit of personal realization as a member of a value-creating profession. The respondents stated that all forms of education (formal, informal, and non-formal) are essential for developing entrepreneurial competencies.

In addition, the study set out the role of advisors in the training of employees in social enterprises, the realization of contacts and lasting relationships with social partners as well as the opportunities for development of social activities and communication. 66% of the respondents stated that they fully agree with specialized trainings in the field of social entrepreneurship. Vocational/professional training was the most appropriate according to the average assessments given by the respondents, followed by non-formal and informal education. In terms of higher and secondary education the fluctuations were greater. The main content of the training is to understand the role of the business advisor in identifying the opportunities for improvement of services for social enterprises, development of professional networks in the field of social entrepreneurship. This will contribute to a better understanding of the expectations of social enterprises and will decide how these expectations need to be met.

## **E. Conclusion**

Social entrepreneurship is identified at European Union (EU) as a key instrument for regional cohesion and overcoming the problems of poverty and social exclusion. Social entrepreneurship as a concept allows the creation of alternative models of social enterprises to carry out business activity which is market oriented and at the same time integrates all market entities - employees, employers, investors, consumers, etc. The need for social entrepreneurship develops new patterns of active social assistance and

inclusion in which consumers and customers are encouraged to take on greater responsibility. Social benefits are measured by the integration and employment of disadvantaged people, by contributing to the process of social inclusion and social capital creation. The role of social enterprises and their development in contemporary society is recently discussed through the perspectives set in the EU strategy for smart, sustainable and inclusive growth.

The contribution of social enterprises to socio-economic development can be seen from different perspectives:

- providing access to basic services (social, educational and health) of local communities, including for most vulnerable population groups;
- contribution to a more balanced use of local resources, with the support of stakeholders, which promotes inclusive governance models enabling local communities to make strategic decisions;
- support the creation of new jobs as a result of the provision of new services provided to disadvantaged people;
- inclusion in the labour market of minority groups, single women, people with disabilities, etc., who remain excluded from income generation opportunities.

Social enterprises need mainly support and advice provided by well-trained practicing business advisors who possess the necessary key skills, qualifications and competencies to provide quality advice for the development of social enterprises. There is a strong need for trainings focusing on the acquisition of knowledge and skills for social entrepreneurship, consultancy techniques and acquisition of soft skills. The problems in providing consultancy services to social enterprises are mainly due to the lack of information, knowledge and lack of adequate, timely and sufficient support, which, again, draws the attention to the need for specialized training for business advisors that covers a number of issues in the area of law, governance, economy and finance of social enterprise.

This is also confirmed by the studies involving business advisors and representatives of social enterprises and social partners who support the need for training as well as the creation of social value to challenge business advisors to work on skills for developing strategies to maximize their social impact. The focus on the need for consultancy services is placed in the field of management, financing of activities and participation in funding programs, fundraising, strategic management, business planning, legal services and access to markets. The goal is to acquire key skills and competencies to achieve responsibility and profit, followed by social values and professional relations, communication with the external environment and career development. Placing the responsibility before the profit is indicative of the need to change to new business models oriented towards particular linking of the activities of organizations to significant social goals.

Business advisors usually provide financial and strategic advice to small and mid-sized companies, cooperatives, social enterprises and other formats of company formations. The business advisors must also have an excellent business sense and keen communication skills in order to be able to adequately support social entrepreneurs.

The skills and competencies required for business advisors vary according to the types of consultancy services, but they are mainly aimed at business management and business development. The personal competencies and interpersonal skills needed for the position of a business advisor include: communication, collaboration and presentation skills, analytical and critical thinking skills, organizational skills, problem-solving skills, innovative thinking, leadership skills, teamwork, time management and digital skills. Their duties and tasks are focused on providing support in various fields, especially business planning, business development and management, project management, training and mentoring. There is a need for qualification and/or experience in the field of business coaching, mentoring and development of small enterprises or social enterprises as well as knowledge and understanding of key areas related to starting a business; knowledge and experience in preparation and management of financing processes; experience in business development or the professional role of the client; experience in working with disadvantaged people; proven experience in providing advice and training for social enterprises; experience in using interactive media for training and presentations.

## 5. Implications and Suggestions for Future Research

Specialized trainings in social entrepreneurship and consultancy tools provided to business advisors should be oriented towards the acquisition of knowledge, skills and competencies in the field of management and communication, with a special emphasis on social entrepreneurship, social innovation and skills. It is possible through targeted, planning training activities that correspond to the identified learning needs and modern methods and approaches in the provision of education as part of the lifelong learning concept. The results of the study encourage further extension of the data collection scope and lead the theoretical development of the topic to future empirical research. Furthermore, the present study is the first quantitative approach to research the skills and qualifications of business consultants and advisors in social entrepreneurship in Bulgaria. The acquisition of knowledge and skills on behalf of business advisors is crucial for the future development of social enterprises in the country.

### A. Acknowledgement

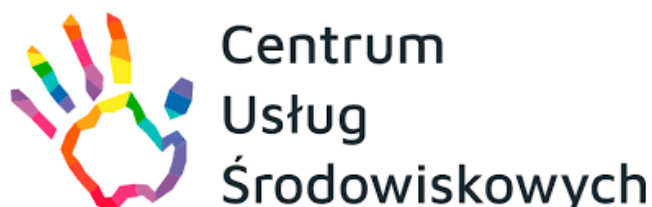
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## CUS – Social Social Cooperative

**Social Cooperative of Legal Persons “Centrum Usług Środowiskowych” in Drobin (Poland).**



The cooperative was established in 2014. The main goal was to strengthen the sustainability of social economy entities in the area of the Płock powiat through innovative and creative institutional forms, three-sector support, raising the level of awareness regarding the benefits of the social economy sector, strengthening the involvement of the business, public and civil sectors, as well as including new institutional solutions to the mainstream of local policies.

A flexible model of the so-called flexi. The three-sector Social Cooperative of Legal Persons was created for the first time in history by three local government units (three communes). the third NGO sector, i.e. the association. Nobody had done it before. Activities in the area of environmental services turned out to be an excellent solution and showed effective sustainability. The proof of the effective operating model is the fact that in 2015 The cooperative gained a new member, the Radzanowo commune, and in 2016 The town and commune of Drobin, where the Cooperative currently has its seat. In December 2022. The cooperative became a finalist of the National Competition of the 11th edition of the competition for the Best Social Enterprise of them. Jacek Kuroń in the “Discovery of the Year” category.

Since 2013, the Cooperative has been running an Occupational Therapy Workshop for 30 people with moderate and severe disabilities. WTZ is a day care facility. Classes are held 5 days a week. Participants are transported to the Workshop and driven back to their place of residence by a company car as part of the Workshop’s activities. People with disabilities take part in classes conducted in 6 laboratories: culinary, artistic, motor improvement, wickerwork, computer and hortitherapy. he Social Cooperative of Legal Persons “Centrum Usług Środowiskowych” has also been running the “Senior+” Day Home since December 2015.

T25 seniors from the city and commune of Drobin have been participating in the project since the beginning of the institution’s existence. The main goal of the home is to provide support to the elderly through the possibility of using the activating, educational, cultural, recreational, health and care offer. The result is an improvement in the quality of life, a greater sense of security, active spending of free time, as well as self-help activities and activities for the development of the local environment.



## CUS – Social Social Cooperative

Seniors can use the services of a physiotherapist or rehabilitator. An integration trip is organized at least once a year. The Cooperative also operates the Senior+ Club in Łęg Probstwo. The facility operates min. 2 days a week. Seniors, under the supervision of an instructor, prepare a hot meal as part of occupational therapy, cultural services, i.e. trips to the cinema, theater, and in particular joint workshops with children and other seniors.

The people managing the Cooperative are leaders full of initiative, passion and commitment, without whom running a business would be very difficult. Using their creativity, in 2019, trying to combine cooperation with local entrepreneurs, they opened a restaurant with a banquet hall called Symphony of Taste. This challenge turned out to be a hit. Local companies began to sell their food, vegetable and butcher products to the Cooperative. Unemployed people found employment - they completed appropriate courses, local politicians began to advertise the services of the Cooperative, which resulted in the signing of many contracts for the preparation and delivery of meals.

It is here that, since the outbreak of the war in Ukraine, the Social Cooperative has been preparing and delivering meals for people forced to emigrate by the war. In the banquet hall, special events are also organized, i.e. weddings, communions, family parties, consolidations, themed balls, carnivals, New Year's Eve parties. Outdoor events are also supported, i.e. county harvest festivals, fairs, family picnics. The banquet hall is also used for conferences, training sessions, meetings and castings.

Catering has been the main source of income for the Cooperative for several years and allows for the employment of many employees.

Thanks to creativity and innovation, the Social Cooperative has become a leader in its region where other representatives of local government units often come to watch and learn functional solutions.

# III. Social Cooperative CUS as an example of success in the Social Economy in Poland

**Authors: Aleksandra Pęcharzewska CUS, Michał Gołębiowski CUS, Bartosz Góras FZZ  
– Social Cooperative Drobin, Poland**

## 1. Entry

Publication on the process of creating a model social cooperative of legal persons, whose founder was a local government, a non-governmental organization and a church legal person.

## 2. What is a social cooperative?

Persons planning to run a business may consider such a legal form as a social cooperative. It is an enterprise that also implements business assumptions, but primarily aims to support and activate people at risk of social exclusion, i.e. unemployed and disabled people. The idea of cooperative movement in Poland had its origins in the interwar period.

At present, an increase in their popularity can be observed, one can even say that social cooperatives are experiencing their renaissance in Poland, and this is certainly a reason for satisfaction. This may be evidenced by the fact that while in 2011 there were 425 social cooperatives in Poland, according to the data of the National Court Register from 2019, the number of actively operating cooperatives was 1547 (source: Information on the functioning of social cooperatives operating on the basis of the Act of April 27, 2006 on social cooperatives for the period 2018-2019). On the other hand, the number of all social cooperatives as of February 7, 2022 (including cooperatives in liquidation) was 2,057. This proves the upward trend of this type of economic activity in recent years in Poland. Issues related to establishing and running a business in the form of a social cooperative are regulated by the Act of 27 April 2006 on social cooperatives (Journal of Laws of 2020, item 2085). The Act has been subject to appropriate amendments over the last few years, which is confirmed by the dynamic process of changes taking place in the social economy sector and the growing interest in conducting business in the form of a social cooperative. among others in 2018, the amendment to the Act on social cooperatives entered into force, which introduced facilitations in setting up and running this type of business. The Act has been subject to appropriate amendments over the last few years, which is confirmed by the dynamic process of changes taking place in the social economy sector and the growing interest in conducting business in the form of a social cooperative. among others in 2018, the amendment to the Act on social cooperatives entered into force, which introduced facilitations in setting up and running this type of business.

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We would like to draw your attention to the role played by the local government in the development of cooperatives. Also in creating the area of social economy development, counteracting social exclusion, in the broadly understood activation and education of society.

Cross-sectoral cooperation and the participatory participation of residents in the creation of local projects are of great importance in this area.

Through the eyes of the implementers, we present the stage of creating a multi-sectoral social cooperative, but also the preparatory stage consisting in social animation and education, which, in our opinion, as practitioners, is necessary for the creation of such a form of employment. It should also be noted how important local “actors” of social life or institutions initiating activation activities, e.g. social assistance centers, are of great importance in the development of the social economy and social economy entities. No less important is the business approach to emerging entities that combine social and economic features. They respond to the real needs of residents, creating a diverse range of services.

In the publication, we present “good practice”, thoughts and doubts, on the example of the Social Cooperative of Legal Persons “Centrum Usług Środowiskowych” with its registered office in Drobin and other activities around cooperatives as a system of connected vessels.

### **3. The process of creating a multi-sectoral social cooperative, on the example of the Social Cooperative of Legal Persons “Environmental Services Center”**

#### **A. Legislative solutions - towards the development of cooperatives**

The amendment to the Act on social cooperatives enables the establishment of social cooperatives not only by natural persons, but also by legal persons. According to the Act, in the case of establishing social cooperatives of legal persons, there are at least two entities with legal personality. These can be local government units, church legal persons and non-governmental organizations. However, a model solution will be the accession to such a social cooperative of legal persons of all types of legal persons listed in the Act, such as: a local government unit, a non-governmental organization, a church legal person, and the creation of a multi-sectoral social cooperative.

#### **B. Creating a social cooperative of legal persons - taken from practice.**

##### **Creation stage - in a nutshell**

When creating a social enterprise, which is a social cooperative of legal persons,

the beginning of the undertaking is the expression of willingness to act as a founder member of the cooperative by at least two legal persons, and then, in the case of local government units and non-governmental organizations, adoption of resolutions on consent to the establishment and accession to the cooperative of legal persons.

When planning the schedule of all works related to the establishment of a social cooperative of legal persons, it should be remembered that if there are more local government units among the founders of the cooperative, the adoption of resolutions by these units may be extended in time due to the specificity of the organization of the work of the local government (meetings of the commune council committee and commune council sessions), which may extend the process of establishing this entity. This is particularly important in the case of a social economy entity established as part of project implementation, where the performance of project tasks is obliged to adhere to strictly defined deadlines.

### **C. convening the Meeting of Founders and adopting resolutions on:**

The next stage of creating a social cooperative of legal persons is to convene the Assembly of Founding Members and adopt resolutions on:

- establishing a social cooperative of legal persons,
- adoption of the statute of a social cooperative of legal persons,
- determining the number of members of the Supervisory Board if the statute provides for its existence (however, in the case of such a large undertaking as a multi-sectoral social cooperative, it is worth thinking about appointing a control and supervision body),
- appointment of members of the Supervisory Board.

The next step is a meeting of the Supervisory Board, whose task is to adopt resolutions on:

- determining the number of members of the Management Board (The Statute of a social cooperative of legal persons generally defines the number of members of the Management Board, e.g.: “The Management Board consists of one to three members, including the President“, while the Supervisory Board, by way of a resolution, specifies the exact number of members of the management board of the cooperative, e.g. whether the management board is single-person or collegial. Looking from the point of view of a practitioner, a collegial management board is a better solution. There is then the possibility of greater internal control, because the multi-person management board jointly makes decisions, but also bears joint and several responsibility.),
- election of members of the management board (selection of persons by name from among the candidates).

The Management Board is constituted, i.e. there is an election among the members as to the performance of specific functions in the Management Board.

### **D. Submission of the registration documentation of the cooperative to the National Court Register (KRS)**

The next and final stage in the creation of a social cooperative of legal persons is the submission of the registration documentation of the cooperative to the National Court

Register (KRS). The required forms are available at the seat of the National Court Register and on the website of the Ministry of Justice. Please remember to complete them in capital letters, either by computer or by hand, and empty fields in the forms should be crossed out. It is required to sign the application forms by all members of the management board of the social cooperative.

Forms necessary to register a social cooperative:

- a basic form for reporting/registering an established social cooperative,
- an attachment to the form, used to notify the entity's governing bodies (members of the management board and members of the supervisory board, if elected).
- an attachment to the form for reporting the scope of economic activity (when completing this form, use the codes of the Polish Classification of Activities - PKD, which are a hierarchically structured division of the set of types of socio-economic activity).

The basic registration forms listed above should be additionally accompanied by:

- minutes of the general meeting of founding members signed by the chairman and secretary of the meeting;
- list of founding members with original signatures;
- resolutions adopted by the general meeting of founding members
- and by the Supervisory Board;
- statute of a social cooperative of legal persons;
- notarized signatures of all members of the management board.

It is important that the social cooperative does not bear the costs of registration in the National Court Register and the announcement in the Court and Economic Monitor.

It can be assumed that the implementation of the above-mentioned activities in the field of creating a social cooperative of legal persons in the above-mentioned model form (i.e. a multi-sectoral social cooperative) takes about three months. This is the time for local government units and non-governmental organizations to adopt resolutions, convene the meeting of founders, elect the supervisory board, elect the management board, and submit registration documentation. It is assumed that the registration procedure in the National Court Register should also not exceed three months.

The date of commencement of activity of a social cooperative of legal persons is the date of entry into the National Court Register and from that time the management board has a period of six months to employ at least five persons from among the persons indicated in Art. 4 sec. 1 of the Act on social cooperatives, i.e.:

- 1) unemployed persons within the meaning of the Act of 20 April 2004 on employment promotion and labor market institutions,
  - 2) persons referred to in the Act of 13 June 2003 on social employment,
  - 3) people with disabilities within the meaning of the Act of 27 August 1997 on vocational and social rehabilitation and employment of disabled people with full legal capacity.
- This form of things gives more time to organize the structure, organize the work of the cooperative, start the process of searching for orders and establishing cooperation.

## 4. Prior education and animation

Practice shows that it is necessary for the creation of a social cooperative of legal persons to be preceded by animation and educational activities preparing partners for a joint discussion, indicating the need for joint action, demonstrating the benefits and benefits of such action for all parties, and the principles of cooperation and creating a new entity ( panel meetings, debates, participation in study visits, seminars, work of social economy animators, etc.)

Animation and educational activities are of great importance and it can certainly be said that they affect the very process of creating a social cooperative of legal persons, in particular this multi-sectoral social cooperative, as well as whether it will be established at all.

The moment of establishment of the social cooperative of legal persons was preceded by a stage of many educational and animation activities addressed to local communities, representatives of local governments, non-governmental organizations and business. It can be said that the animation and educational work had the following dimensions:

- individual - moving, activating residents, representatives of various social groups,
- institutional - interest in the development of the social economy, the creation of social economy entities, local government officials, entrepreneurs, representatives of non- governmental organizations.

As part of the activities to create the Social Cooperative of Legal Persons “Centrum Usług Środowiskowych“ the following were organized by the Commune Social Welfare Center in Słupno: 3 consultation seminars, 4 panel meetings, 2 debates with decision-makers, 2 debates on the effects of the tested final product, 1 conference - panel meeting with elements of debate. In our opinion, apart from the educational element, such events also have a participatory character.

Meetings with residents, representatives of local business, representatives of local authorities, institutions and non-governmental organizations concerning various social issues, and in this case interest in the development of cooperatives with the involvement of local government, allow for active participation of local communities in shaping public life. Thus, to build social trust. Including residents in shaping local policies triggers a sense of belonging to a community, has an impact on community development, and also on the development of mechanisms for cooperation between local government administration and local communities. In the Commune of Słupno, activities aimed at the development of social participation have been undertaken for several years, e.g. when updating the Strategy for Solving Social Problems, or the Local Activity Program. The interest and active participation of residents and decision-makers in the above-mentioned activities had an impact on the creation of an innovative product, which is a multi-sectoral social cooperative.

It must be assumed that social trust is the basis of interpersonal relations, cooperation, commitment, and a sense of security. Thus, it has a fundamental impact on the formation of civil society, and thus – the growth of collective awareness, conscious participation in collective life and building collective identity. The increase in the level of trust contributes, on the one hand, to reducing social marginalization, and on the other hand, to shaping the sense of conscious participation in public life, the ability to exert influence on the environment. Without trust in the social space, dialogue cannot be conducted, the essence of phenomena and processes cannot be defined. Trust allows for effective communication within a territorial unit, supporting the achievement of set goals.

Some of these events are worth highlighting:

### **Debates with decision-makers, debates on the effects of the tested final product**

On February 4 and 5, 2012, debates were held as part of the task – Testing the developed final product.

The debates were attended by representatives of the authorities of the Słupno commune, representatives of non-governmental organizations, employees of the Commune Social Welfare Center in Słupno, local leaders and local entrepreneurs.

During the debates, the subject of social economy, the Social Cooperative of Legal Persons, the Center for Environmental Services, the Social Economy Laboratory, and the role of business as an environment were discussed. The debates were organized in Biskupice near Byczyna, where, in addition to participating in the project tasks, the participants could get acquainted with the functioning of the Social Cooperative of Legal Persons “Gród”, good practices related to the development of cooperatives in the Byczyna commune.

As part of the project activities, debates were also organized entitled “Social economy – social cooperative of legal persons” (on June 15, 2012) and “Strategy of actions taken”

- Social Cooperative of Legal Persons “Environmental Services Center” (on July 3, 2012 )
- are debates about the next stage of the project, i.e. the effects of the tested final product. The essence of these events was that their participants were people specifically interested in establishing a cooperative, its functioning, and planning the strategy of operation.

It was organized by the CAL Local Activity Support Center Association in Warsaw and the Commune Social Welfare Center in Słupno in the Dramatic Theater named after Jerzy Szaniawski in Płock. The conference was held under the honorary patronage of: Marshal of the Mazowieckie Voivodeship, Member of the Polish Parliament, Starost of Płock.

The subject of the conference was the development of social economy entities, the creation of new ones and the strengthening of the existing ones as forms of employment for people at risk of social exclusion, but also as opportunities for the development of young people entering the labor market.

The conference also addressed the issue of creating a social cooperative of legal persons in the municipality of Słupno (Centre for Environmental Services), and thus the development of social services resulting from the diagnosis of the environment, and a discussion on the role of social economy in micro and macro regions.

In addition to introducing the subject of social economy and cooperatives, the conference also had another measurable effect in the form of interest of the authorities of the Mała Wieś commune in membership in the newly created cooperative “Environmental Services Center“.

The aim of such activities is also social change, leading to greater integration, activity and readiness for action of the inhabitants of a given community.

## **5. Building a network of cooperation - local partnership**

The aim of the local partnership is to activate the entire community and encourage it to joint actions to solve local problems. Thanks to organizing bottom-up initiatives, the goals and needs of local communities are more effectively implemented, which brings measurable benefits and at the same time encourages further actions. In partnership, a model for solving social problems can be developed. The establishment of a Social Cooperative of Legal Persons may be the result of cooperation between local partners.

## **6. Building elements of participation**

Supporting the development of local communities requires activating activities and building knowledge about the conditions of their development. The actions taken should focus on developing and disseminating mechanisms of cooperation between public administration and local communities, using the proven method of involving citizens in the creation of local policies.

## **7. The use of existing social economy entities, e.g. KIS, CIS**

The Social Integration Club implements a social and professional reintegration program for a group of participants. Participation in the Club gives participants the opportunity to develop and gain new professional qualifications. The task of the Club is to prepare the participants to move independently on the labor market, which will allow them to achieve their own professional goals.

Center for Social Integration. The main objective of the Social Integration Center is professional and social activation aimed at counteracting social exclusion and marginalization of people. The basic tasks of the Social Integration Center include changing the life attitudes of the participants and shaping the attitudes of understanding, acceptance, tolerance and respect for people from special risk groups in the society. The goal of the Social Integration Center is achieved by conducting activities in which participants acquire skills in the field of theoretical and practical vocational training, in the form of retraining or improving professional qualifications. Participants also develop their skills in interpersonal relations, motivation and personality development.



## 8. Social Economy Laboratory – an innovative form of support

The Social Economy Laboratory (LES) has a diagnostic and educational character. The laboratory is an educational space, exchange of experiences, social activation and combining the potential of residents, “practitioners“ and “theoreticians“. The task of the Laboratory is to: analyze the environment, monitor the actions taken and propose new solutions in the field of social economy development. An extremely important educational component of LES is the platform for cooperation and dissemination of knowledge and the creation of social dialogue in the area of social economy. LES participants are: residents, local leaders, representatives of universities, students, representatives of various institutions and organizations and other local “actors“.

## 9. Examples of preparatory activities undertaken by GOPS

Informational and educational talks were held on the establishment of a Social Cooperative of Legal Persons in the Słupno Commune with key persons:

A meeting was held with the mayors and councilors of the Słupno commune, and the initial idea of establishing a Social Cooperative of Legal Persons in the Słupno commune was presented. Knowledge about the creation of new sectors of the social economy was passed on.

**A.** Participants proposed new solutions (including the creation of a construction group and a printing house). The seat of the cooperative was also indicated. Conclusions: Residents were interested. However, they needed education and more knowledge in this area, as well as showing good practices – already functioning cooperatives.

**B.** A meeting was organized with the Director of the Poviats Labor Office in Płock. The institution expressed its willingness to become involved in the activities of the cooperative, noting a big problem related to the increase in unemployment in the Płock poviats, and at the same time the lack of funds for active support. Conclusions: Expanding the activities of the cooperative to the area of the Płock District. Organizing a meeting with the Starost of the Płock District. Preparation of initial documentation.

**C.** Participation of the preparatory group in the meeting on the creation of a Social Cooperative of Legal Persons with the inclusion of the Płock Poviats. The starost proposed to include other poviats in the matter of establishing a cooperative. He drew attention to an interesting solution related to the issue of melioration. Conclusions: organizing a conference with the help of the poviats starosty for commune heads and mayors of the Płock poviats. Preparation of materials and preliminary declarations. Presentation by the invited experts of the proposal to establish a Social Cooperative of Legal Persons, including the issue of melioration.

**D.** A meeting was organized, presenting the concept of the cooperative’s operation, and in particular the thread of the Social Economy Laboratory, to P. Mirosław Grewiński – Vice- Rector of the Pedagogical University of Towarzystwo Wiedzy Powszechnej in Warsaw. The university has expressed interest in supporting our activities. The university authorities care about well-organized academic internships for university students.

Conclusions: In the future, work on the standardization and change of legal regulations concerning student practice. Creation of safe places of practice in Poland – gaining experience in various environments. The future alternative of LEW (Rural Education Laboratory) and LEM (Urban Education Laboratory).

**E.** Presentation of the concept for the creation of a social cooperative of legal persons at a meeting with entrepreneurs, the parish of St. Marcin in Słupno, local leaders. There were issues of supporting the organization by local business. The parish expressed interest in the development of wooden churches in the Płock District. The development of tourism and agritourism in the commune (educational trails, historical sites, nature) was very important for the participants. Conclusions: Implementation of the business sector into social projects. Perhaps it would be worth amending the provisions of the Act on social cooperatives, including entrepreneurs as shareholders, thus allowing for better financial activities and stability of the activity of cooperatives of legal persons. In the Słupno commune, a model multi-sectoral social cooperative of legal persons was created, whose founding members are all types of legal persons listed in the Act on social cooperatives, i.e.: three communes, a non-governmental organization, a church legal person. On the day of its foundation, it was the first social cooperative of legal persons in Poland with such a composition of founding members. The important role of the Roman Catholic Parish of St. Marcin in Słupno, as an active “actor“ of social life in the commune, actively participating in the animation and activation of residents, willingly cooperating with local institutions and organizations.

## 10. The functioning of the Social Cooperative CUS

The creation of a multi-sectoral social cooperative gives the opportunity to influence the creation of a network of cooperation between the local government units themselves, as well as all the founders of the cooperative in the field of individual services and between entities of various activities operating in their areas. It is a joint provision of environmental services, responding to the real needs of residents. It is also the consolidation of activities aimed at the implementation of tasks imposed on local governments through the operation of one entity.

The functioning of the Social Cooperative of Legal Persons “Centrum Usług Ochrony Środowiskaowych“ makes it possible to take effective action in the area of niche market economy, as well as in the area of implementing the tasks of local governments. An asset of the cooperative may be the awareness of uninterrupted cooperation between individual units, which will actually increase the durability of the project. The durability of its prosperity is also determined by the interest of the local government, as well as the fact that the local government as a founding member has an impact on the activities undertaken by the cooperative. The environment in the form of cooperating other local governments, entities, non-governmental organizations, as well as business convinced that a social cooperative of legal persons is a partner, is of great importance for the development of the “Centre for Environmental Services“. and not an opponent in the local market. Entrepreneurs should understand the impact of their activities on the life of society, as well as have appropriate knowledge of the benefits of partnership cooperation.

However, it is important to support social economy entities:

The development of social economy entities requires the support of public institutions, but also other social partners: non-governmental organizations, entrepreneurs and local leaders. According to research, support provided by public institutions may be controversial, which, in consequence, contributes to the weakening of the chances of success of such projects. All respondents agree that social economy entities require support at the stage of conceptualization, formation (e.g. registration, organizing) and in the initial phase of operation. Supporting such enterprises in the long term remains an open question – the respondents differ in their assessment of the time, scope or ways of helping such entities. It seems,

However, one should not forget that social cooperatives are not only economic goals, but also social ones. An important social aspect of the cooperative is the creation of jobs for people who are excluded or at risk of social and professional exclusion, who are unable to get out of a situation that limits or prevents their participation in professional or social life. It is a way of activating various social groups living in rural areas, where poor organization of the environment of people, e.g. long-term unemployed, disabled and insufficient support of these groups is often observed. This form of employment arising in the area of operation of the involved units gives these people the opportunity to actively participate in the labor market.

The purpose of establishing the Cooperative was to strengthen the sustainability of social economy entities in the area of the Płock powiat through innovative and creative institutional forms, three-sector support, raising the level of awareness regarding the benefits of the social economy sector, strengthening the involvement of the business, public and civil sectors, as well as new institutional solutions to mainstream policies local.

The social enterprise conducts activities in the field of environmental services aimed at solving the problems of the local community, co-creates the local labor market by employing and engaging in various forms of activity people at risk of social exclusion, furthest away from participation in the labor market, having problems with mobility, improving competences and qualifications professional.

During its over 10 years of operation, the cooperative has made a positive change in the local environment and has a real impact on the lives of many inhabitants of the Płock powiat. As a result of activation activities, many people found employment.

In March 2014, the Cooperative created an Occupational Therapy Workshop for 30 participants. People with disabilities are transported from the area of 5 communes and the city of Płock. Most people have never participated in WTZ classes, and the families of these people learned about the functioning of similar facilities only from the employees of the Cooperative. For about 9 years of running WTZ, 6 people have been successfully transferred to the open labor market, and they are still working today. 10 people, including unemployed people, found employment in the therapy workshop. After working hours of the workshop, free classes for children and youth from nearby villages are conducted by employees of the Cooperative. Local residents can take advantage of a well-equipped rehabilitation room or a computer room.

December 27, 2015 The City and Commune of Drobin entrusted the cooperative with running the Daily Senior Home+. It is a day support facility for 25 seniors from the City and Commune of Drobin. In addition, since 2019, the Senior+ Club for 15 seniors has been operating in Łęg Probostwo.

Since 2019, the Cooperative has been operating in the catering industry, which is the main source of revenue. In Drobin, a gastronomic establishment has been opened, combined with a banquet hall called Symphony of Taste. It provides comprehensive catering and logistics services, focusing on the preparation and delivery of meals. It was the Cooperative that for almost a year provided meals to all residents of the “Nad Jarem“ Nursing Home in Nowy Miszewo, which burned down in August 2019. During the ongoing COVID-19 pandemic, the CUŚ Cooperative made and delivered meals to Kindergartens and Nurseries in Słupno and Drobin, Environmental Self-help Houses in Świącice Stare and Słupno, not forgetting about its WTZ Participants, who received meals at the expense of the Cooperative. After the outbreak of the war in Ukraine, the Social Cooperative prepared and delivered over 10,000 meals for people forced to emigrate by the war. In the banquet hall, special events are also organized, i.e. weddings, communions, family parties, consolidations, theme balls, carnivals, New Year’s Eve parties. Outdoor events are also supported, i.e. county harvest festivals, fairs, family picnics. The banquet hall is also used for conferences, training sessions and casting meetings. Catering has been the main source of income for the Cooperative for several years and enables the employment of many employees: cooks, kitchen assistants, waiters, logistics service. The cooperative cooperates with local food, vegetable and butcher companies.

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During the period of its activity, the cooperative carried out, independently or in partnership, many EU projects / public tasks aimed at counteracting poverty and social exclusion, e.g. Changes“. Thanks to them, many inhabitants of Mazovia improved their professional qualifications and found employment on the open labor market, including some of them in the Cooperative.

The flexi model of operation of the three-sector Social Cooperative of Legal Persons implementing activities in the area of environmental services turned out to be an excellent solution and showed effective durability. In December 2022. The cooperative became a finalist of the 11th edition of the competition for the Best Social Enterprise. Jacek Kuroń in the “Discovery of the Year“ category. The award was granted due to the innovative way of establishing the cooperative, which does not exist on a national scale. The members of the Cooperative are 5 local government units from the area of the Płock powiat.

People managing the Cooperative are leaders full of initiative, passion and commitment, without whom running a business would be very difficult. During the crisis caused by the COVID-19 pandemic and the ongoing war in Ukraine, by skilfully combining revenues from business activity with funds from subsidies and grants, they ensure the stability of the Cooperative, enabling it to survive this difficult period for everyone, especially in maintaining employment.

The “CUŚ“ social cooperative is a reliable partner for all kinds of pro-social initiatives. This is evidenced by the number of implemented partnership projects, including many involving financial resources. Partners are not only other social enterprises/non-governmental organizations, but also local government units and entrepreneurs.

Combining the potentials of many organizations makes it possible to solve local problems that would not be possible to eliminate by local governments or a social cooperative alone. Through cross-sectoral cooperation, exchange of experience with partners from both Poland and other EU countries, the Cooperative tries to change the local environment, making it friendly to people and the natural environment.

Thanks to creativity and innovation, the Social Cooperative has become a leader in its region, where other representatives of local government units often come to watch and learn functional solutions.

## **11. Last Projects- as a practical example of working in a social enterprise**

### **A. The project “Academy of Innovation and Start-ups. From garage to Wig 20”**

Announcement -Foundation Zofia Zamenhof invites you to submit offers in response to market research for the implementation of the Training Service consisting in conducting a series of training courses in the field of new technologies and professional development opportunities in the IT industry, for about 20 participants of the project entitled “Academy of Innovation and Start-ups “From Garage to Wig 20““

Offers should be sent in the form of a completed offer form by August 24, 2019, at 16:00 to the address:academy of innovation@gmail.com

Before preparing the offer, one should carefully read the content of the request for proposals and the Employer's requirements specified in the Request for Proposals. Any questions regarding this inquiry should be directed to: [academy\\_of\\_innovation@gmail.com](mailto:academy_of_innovation@gmail.com)

General information about the project:

Foundation Zofia Zamenhoff in cooperation with:

- University of Economics and Management in Łódź
- Association of the Local Activity Support Center CAL
- National Center for Research and Development

Projects in progress: Academy of Innovation and Start-ups "From garage to WIG 20"

The aim of the project is to prepare and implement a new training offer for 100 people (60K and 40M) to improve digital competences by acquiring knowledge about new technologies and opportunities for professional development in the IT industry. To finance the project from the EU: PLN 480,805.70.

Project implemented in the period: 30.01.2019 - 31.01.2020 Project Office: Łódź ul. Narutowicza 86, SWEiZ Dean's Office The topic was also to discuss the effects of training under the project "Academy of Innovation and Start-ups - "From garage to WIG20"" and changes resulting from the transition to remote learning (caused by the epidemiological situation in the country - COVID19). The organizers of the meeting and the creators of the project also indicated further development paths for the represented institutions in terms of planned project activities, including planned training also in remote form.

## **B. ERASMUS+ PROJECTS - PROJECT: VOYAGE - Raising the competences of adult education staff**

- **Brief description of the project:** The project aims to increase the competences of the management and members of the Foundation, necessary to organize and conduct non-vocational adult education. **Specific goals:** Improving the competences of the management staff by participating in courses on modern organization management. In the development of an organization, proper training of the management is crucial, enabling them to familiarize themselves with modern management methods, as well as allowing them to reflect on practice and compare it with foreign solutions. The Foundation plans to send min. 2 people from the managerial staff for training in foreign organizations, which ended with obtaining certificates of completion of the internship.
- **The priority topics are:**
  - use of ICT tools,
  - effective volunteer management,
  - effective financial management,
  - management of educational projects
- **Raising the knowledge of the educational staff in the field of the latest ICT methods.** Digital competences are among the key competences of the EU.

Digital literacy is essential to support active citizenship and social inclusion, collaboration with others, and creativity to achieve personal, social and business goals. Taking into account the technological development that we participate in, the development of competences of the educational staff and learners in the use of information and communication technologies is a response to the modern requirement, expressed in the acquisition of skills in the use of modern technologies in educational work. It is planned to train min. 5 people in foreign organizations from the use of ICT in adult education with obtaining certificates of completion of the internship.

Raising knowledge in the field of new methods of teaching and work organization. The aim is to introduce modern teaching methods that develop personal, social and learning to learn competences, ie the ability to reflect, manage time and information effectively, work constructively with others, remain resilient and manage one's own learning and career. We also want to get acquainted with the organization of volunteer work, digital marketing as a modern tool for transferring information and knowledge, and with the forms of fundraising and crowdfunding. It is planned to train min. 5 people in the field of modern teaching methods and work organization in adult education with certificates of completion of the internship

## 12 Summary

Since Poland's accession to the European Union, all local governments in the voivodship have been using European Union funds as one of the sources of budgetary revenue, although they do so with varying intensity. In 2006-2012, the highest (i.e. above the third quartile) rate of absorption of funds for financing and co-financing EU projects per capita was characteristic for 37.5% of urban communes, 36.4% of urban-rural communes and 16.4% of rural communes. The main premise of the European Union funds is to support activities enabling overcoming development barriers in backward areas. Thus, these are measures that are to contribute (in an unspecified period of time) to acceleration of development processes.

**Epralima** - Escola Profissional do Alto Lima - Cooperativa de Interesse Público e Responsabilidade Limitada



Created in 1999, EPRALIMA - Escola Profissional do Alto Lima is a private, non-profit institution, which aims to be an asset in the training of young people. In this sense, it provides its students with an adequate professional education in several areas. With about 400 students, Epralima values and optimizes the potential of endogenous resources, revitalizes the social fabric in the light of equal opportunities, in addition to contributing to the reduction of dropout rates and school failure. Its main mission is to train intermediate technicians, focusing on “knowing“, “knowing how to do“ and “knowing how to be“, contributing to form supportive, active and informed citizens, prepared for a new European citizenship and for the new challenges of the knowledge society, allowing them to settle locally, constituting added value in their respective areas of intervention. Aware that vocational education plays a key role in building the future of the individual and the society, it aims to meet the educational and training needs, the expectations of young people and adults and the needs and demands of the region. Epralima hopes to be able to train citizens with consolidated ethical and moral values, combined with a training of excellence, allowing them to be successful in their professional and personal lives.



## IV. Social Entrepreneurship Education

**Authors: Ana Rita Alves, Ângela Paredes, Epralima Portugal**

### 1. Introduction

The phenomenon of social entrepreneurship emerges in the context of crisis and social, economic and environmental challenges that contemporary societies have been facing. The growing popularity of the phenomenon has been accompanied by a field of analysis that mixes and matches a diverse range of ideas that attempt to describe social entrepreneurship, and this dynamic flexibility of notions is the main cause of the apparent lack of clarity of the concept. There is a debate about “when“ and “where“ the term applies, with the concept of social entrepreneurship suffering from “conceptual inflation“ in the absence of an exact definition is accompanied by an excess of meaning, reflecting the numerous contexts in which the term is applied.

In order to try to stabilize the conceptual framework of social entrepreneurship, we propose to analyze its origins, the differences between the main elements that characterize entrepreneurship and social entrepreneurship, and the different schools that study it.

### 2. Social Entrepreneurship.

Social entrepreneurship is now an emerging field of analysis and intervention in political and scientific terms, and the phenomenon is expanding rapidly and attracting increasing attention from various sectors of society.

In general, the inability and inadequacy of government institutions to solve new social problems, visible in the different types of sectoral social policies (or lack thereof) and particularly in budget restrictions, has fostered civil society initiatives in the search for alternative practices that respond to social needs not met by the State or the market. Although these responses were traditionally anchored in the so-called Anglo-Saxon non-profit sector or in the European social economy, the process and practices of social entrepreneurship, as it is currently being theoretically and empirically constructed, seek to incorporate into this sector business concepts and ideas as a vehicle for innovation in order to overcome social challenges. It is generally agreed that the concept of social entrepreneurship was born in the American context and that, despite the differences between the schools that address the phenomenon, as a result of different social, political and economic contexts, all have contributed to the growth of interest in the subject and to the consensus on the need to find innovative ways of using business methods suitable for solving social problems.

Before analyzing the contributions of the American and European schools, we propose to list the main characteristics that distinguish the concepts of entrepreneurship and social entrepreneurship, where the latter takes its roots.

Social entrepreneurship is another one of the buzzwords that the crisis of the economic and social development paradigm has brought to the agenda at the turn of the 21st century. It is an emerging field of analysis and intervention in political and scientific terms, in a phase of accelerated expansion, with great media coverage. It has been attracting interest from different sectors of society and from a wide range of global, European, and national political quarters, as a solution for solving the problems of employment, poverty, and social exclusion.

Generally speaking, the concept emerged in the 1990s, first in the USA and then in Europe, to describe the responses found by citizens in particular and by civil society in general, to address the non-response, retreat or incapacity of the State and also of the Market to the specific social needs of vulnerable people. Notwithstanding the long historical roots of this type of initiatives, integrated into the so-called non-profit sector in the Anglophone world and into the social economy in the European reality, the novelty in terms of expressions and concepts is significant. At the European policy level, social entrepreneurship, social enterprises, and social innovation are of unprecedented centrality in the Europe 2020 strategy.

Social entrepreneurship is a direct path to generating shared value, that is, when the ideals of profit and purpose meet, it makes sense for companies to look for ways to create engagement and lasting relationships with the initiatives that can define the future of the impact economy.

Social entrepreneurship has been defined as a business model that generates profit, but which is essentially guided by the purpose of solving economic and socio-environmental needs that are not being met by the market.

Generating profit is the main point of differentiation between a social enterprise and a non-governmental organization (NGO).

The concept of Corporate Social Responsibility (CSR) is linked to actions promoted by organizations to obtain benefits and aid in a timely manner, such as in campaigns to help the homeless, food basket deliveries, and volunteer programs.

In social entrepreneurship, on the other hand, the transformations promoted reach deeper levels. The goal is not only to solve specific needs, but to promote changes in the dynamics of society, providing support and conditions for individuals to access certain services and contributing to the continuous development of the community located around the business.

## **Characteristics of social entrepreneurship:**

- Business model based on solving social problems;
- Structure strongly supported by the idea of innovation;
- The search for partnerships, in general, aims to ensure the sustainability of projects in the short/medium term. In the long term, the businesses want to be financially independent;
- They use market knowledge to solve problems in the communities where they operate;
- Respond to at least one of the 17 targets of Sustainable Development Goals (SDGs) in the business strategy.

## **3. Social entrepreneurship in education: how to do it?**

Regarding the school community, mobilization is a decisive factor for the implementation of an educational project. With social entrepreneurship it could be no different. To promote changes in the curriculum, create an elective subject, or implement a new practice within the school, it is very important that coordinators, teachers, employees, students, and families are involved in this process.

The education department has an important role to play in stimulating the engagement of schools, communicating intentions clearly to principals, and offering support for them to mobilize the school community around social entrepreneurship. However, the proposal cannot be idealized by the management alone.

### **Social entrepreneurship develops the following skills in students:**

- Altruism;
- Ability to solve problems;
- Communication;
- Courage;
- Curiosity;
- Empathy;
- Critical and scientific thinking;
- Sense of purpose;
- Resilience;
- Responsibility;
- Teamwork.

The progressive articulation between social entrepreneurship and education has been taking place all over the world. Historically, the foundation of the first social entrepreneurship education course dates back to the mid-1990s, when some students at Harvard University pushed for the creation of a program specifically devoted to the topic, coordinated at the time by one of its pioneering academics: Gregory Dees.

Since then, there has been a proliferation of academic institutions involved in education for social entrepreneurship: in 2002, ten North American universities were identified; the first European course was created in 2003 at the University of Geneva, Switzerland, by Maximilian Martin and Pamela Hartigan, through the Schwab Foundation; by 2004, there would be 23 universities with programs dedicated to the subject, including three European universities (Oxford University, UK; University of Geneva, Switzerland and University of Navarra, Spain); in 2007, a master's program dedicated to the subject is created for the first time in Asia, through the TATA Institute of Social Sciences, in India; in 2011, the global number of faculties allegedly involved in education for social entrepreneurship amounts to more than 500, in 148 countries on all continents and with programs of various formats, from masters and bachelor's degrees, to majors, minors and masters of business administration (MBA).

Although the aforementioned lack of a robust body of theory weakens theorizing about this field, social entrepreneurship teaching and pedagogy is gaining more visibility and attracting more and more attention from academia.

The recurrent goal of social entrepreneurship education seems to be to nurture the next generation of social entrepreneurs and support them in their efforts to create social value in innovative ways. That is, in general, the aim is to provide a higher education offer aimed at social entrepreneurs or at students who intend to specialize in the field of social entrepreneurship. In a complementary perspective, Hamidi Lawrence, Wennberg, and Berglund (2008) understand that the success of entrepreneurship education would be to motivate entrepreneurial intentions, i.e., to promote a mental state that channels experience and action into ways of realizing an activity.

But to what extent does a student who is educated for entrepreneurship become an entrepreneur? Given the breadth that the concept of entrepreneurship has reached, it can be considered that the one who benefits from entrepreneurship education acquires and develops entrepreneurial skills. This learning can, however, be carried out in different “degrees“, thus varying according to its beneficiaries.

The European Commission (2002) recognizes the importance of two elements in definition of “entrepreneurship teaching“: a) a broader concept of “education for entrepreneurial attitudes and skills“, which involves the development of certain personal qualities and is not directly focused on the creation of new businesses; b) a more specific concept of “training in how to create a business“.

Within this framework, the objectives of entrepreneurship education have been defined according to the different levels of education: primary education; secondary education and tertiary education. In primary education, entrepreneurship education aims to promote in students personal qualities such as creativity, initiative and autonomy, which contribute to the development of an entrepreneurial attitude, that will be useful in their personal life and in each professional activity. As for secondary education, the promotion of personal qualities is still relevant, but the promotion of entrepreneurship also involves making students aware of self-employment as a possible career option.

The concept of entrepreneurship education has some associated characteristics that give it an identity:

**Entrepreneurship Education is:**

- Cross-cutting education for life;
- Action-centered;
- Focused on processes and results;
- Coherent and constant;
- Multidisciplinary integrated;
- Contextualized.

**Entrepreneurship Education is not:**

- Entrepreneurial management education;
- Knowledge-centered;
- Task-focused;
- Sporadic and inconstant;
- Isolated and disciplinary;
- Decontextualized.

For the school to succeed in promoting an adequate, effective education for entrepreneurship effective education that consolidates in good results, it is necessary that the school itself changes its way of acting.

#### **4. The role of the school and teachers in promoting entrepreneurship**

In the Detailed work programme on the follow-up of the objectives of education and training systems in Europe (2002), the European Union defines as its 3rd objective the need to “open up education and training systems to the wider world, training systems“. This requires “the promotion of close cooperation between education and training systems and society at large“, as well as “the establishment of partnerships between all types of education and training institutions, firms and research institutions for their mutual benefit“. (Official Journal of the European Communities, 2002: 13-14). In 2008, the subject is re-emphasized by the Commission of the European Communities by considering that networking among schools themselves can accelerate innovation, since “schools should develop as ‘learning communities’“ (Commission of the European Communities, 2008: 11). In the same vein, the synthesis report of the National Plan for entrepreneurship Education (2009) for the period 2006/2009, concludes that it is important that the school strengthens “formally the collaboration between all relevant actors“, i.e., it should promote an articulation with other institutions “particularly in the areas of labor and social security, local government and business, strengthening links and new partnerships between public and private entities“ (Ministério da Educação, DGIDC, 2009a: 40).

The establishment of partnerships is therefore beneficial to both schools and any partnering entity. A partnership involves just that, benefit for both parties. Forming partnerships is a cooperative strategy that will allow the opportunity for expansion, to achieve better results and optimization of resources, and is also associated with the existence of specific skills in each of the partners. To offer an adequate education to its students, to respond to their needs and expectations, to enable them to broaden their vision and scope of intervention, it is important that the school is part of a whole. Stakeholder analysis and the establishment of partnerships are both necessary intervention strategies.

But it is not only the school as an institution that needs to change. The performance of teachers must also be adapted. To create entrepreneurial environments it is necessary, first of all, to motivate and involve teachers. The report for Unesco (1996), stresses that “the contribution of teachers is crucial to prepare young people not only to face the future with confidence, but to build it themselves in a determined and responsible way“.

Social transformations have contributed to the teacher’s role also changing. According to the same document, teachers are increasingly faced with new demands: more heterogeneous groups of students; use of new teaching resources provided by new technologies; greater autonomy of schools and the consequent need to make decisions and perform management tasks, among other requirements. The overloaded role of teachers is due to the fact that the family has been resigning its responsibility for primary socialization. Thus, the school has a dual task: to develop the aspects of basic education and social and moral awareness of children (replacing the family); and to carry out the formal education that traditionally falls to it.

To the difficulties mentioned, we can associate the low motivation of the students, which is a consequence of the many pieces of information they receive without effort and often involuntarily (through television, internet, ...). The teacher can no longer use curiosity as an attraction to want to learn. Today, it is up to the teacher to help their students organize information and provide cognitive tools that allow them to make it beneficial or at least not harmful.

Special emphasis should be given to motivation since it is an essential factor for entrepreneurship. The analysis of different contributions allows us to identify some characteristics usually associated with the entrepreneurial teacher.

An enterprising teacher is one who educates for the unknown, that is, one who prepares his students to explore the unknown, so that they are not afraid to fail, but afraid not to try. Teaching them to conquer original experiences, through observation, small changes and the correction of major routes.

As already mentioned, for teachers to be able to best meet the demands placed on them today, it is important that their training is also adapted. Educating for entrepreneurship requires specific training. However, this education should not be limited to the goal of fostering entrepreneurship but should also be an entrepreneurial education (in its practices, teaching, and pedagogical methods) that applies across all subjects.

The learning-by-doing methodology, for example, is an innovative practice that allows students to develop their entrepreneurial skills. Adopted by the PNEE, learning by doing puts the student at the center of the action. He becomes active in the learning process that takes place through practice. Each one's interests, needs and demands are taken into consideration. The personalization of teaching is thus a way to meet the needs of the students, to know their difficulties, to increase their motivation, and consequently to improve their results. Teachers are challenged to improve and adapt their practices, and for these practices to be constantly improved, it is important that they are disseminated, that interdisciplinary work is developed, and that there is sharing and complementarity among the different actors.

With the aim of fostering the entrepreneurial spirit, different actions have been developed in the European Union (EU), namely: the implementation of the Best Procedure Project "Mini Enterprises in Secondary Schools"; the promotion of the European SME week (from May 6th to 14th, 2006) to boost entrepreneurship in difficult times; the launch of the Competitiveness and Innovation Framework Programme (CIP), which runs from 2007-2013 and is divided into three operational programs, one of which refers to entrepreneurship and innovation - Entrepreneurship and Innovation Program (EIP)<sup>10</sup>.

Nevertheless, there are still only a few member states that recognize entrepreneurship as an objective of the education systems, and only a small minority where entrepreneurship is explicitly incorporated into the national curricula.

In 2007, the European Commission reinforces this fact by stating that in Portugal there are a number of private and government initiatives, but there are no public policies in the area of entrepreneurship, and it is not included in the national curriculum. Only Spain, Ireland, Cyprus, Poland, Finland, and the United Kingdom contemplated entrepreneurship in the national curricula for secondary education. In most of these, the measures taken are directed mainly towards entrepreneurship in a business sense.

More recently, in 2009, it was developed by Gallup Organization (Hungary), a research on "Entrepreneurship in the EU and beyond" which intended to know, among other aspects, "The impact of school education on entrepreneurship". In this study, requested by the Directorate General for Enterprise and Industry and coordinated by the Directorate General for Communication, 36 countries were involved. In it, about 26,000 people (aged 15 or older), randomly selected, were surveyed. The interviews were predominantly conducted via landlines. To correct for disparities in the sample, a post-stratification weighting of the results based on sociodemographic variables was implemented. In the study, some questions were asked regarding entrepreneurship at school, namely:

- "My school education helped me to develop a spirit of initiative - an entrepreneurial attitude";
- "My school education helped me to better understand the role of entrepreneurs in society";
- "My school education gave me the skills and knowledge needed to run a business";
- "My school education developed my interest in becoming an entrepreneur".

In relation to these questions, it can be seen that, on average, the majority of respondents from the EU disagree with the sentences presented. Only the first point shows a similar percentage between respondents who “strongly agree”/“agree” (49%) and those who “do not agree”/“strongly disagree” (49%).

But when analyzing between countries, there are marked differences. Concerning the item “My school education helped me to develop initiative - an entrepreneurial attitude“, Cyprus and Portugal top the table with 64% and 63% respectively, while Latvia shows only 26% agreement. When asked about the influence of education on the perception of the role of entrepreneurs in society - “My school education helped me to better understand the role of entrepreneurs in society“ - Portugal again stands out with 66% of respondents agreeing with the statement, while Lithuanians and Hungarians agree the least (28% and 31% respectively).

Regarding the opinion on the statement “My school education gave me the skills and knowledge to run a business“, it can be seen that only Cyprus (55%), Portugal (54%), Ireland (50%) and Malta (50%) show a higher percentage of agreement than disagreement. In Spain, the respondents’ opinion is evenly divided (49%). Regarding the last item “My school education developed my interest in becoming an entrepreneur“, in the 27 EU countries, respondents mostly disagreed with the statement. Malta (43%), Romania (42%) and Portugal (40%) were the countries that recorded the highest percentage of agreement, while in Latvia only 16% of respondents agreed with the statement. When analyzing the non-EU countries, we conclude that for the four items indicated above, the countries that stand out the most with high rates of agreement are: Turkey, the USA and China.

The study, described here, also presents comparative results between 2007 and 2009, regarding the items:

- “My school education helped me to develop a spirit of initiative - an entrepreneurial attitude“;
- “My school education helped me to better understand the role of entrepreneurs in society“;
- “My school education developed my interest in becoming an entrepreneur“.

In this context, Denmark, France, Luxembourg, and the Netherlands were the only countries where there was an increase of about 5% for one or two of the statements. All the remaining countries either did not change or decreased their agreement, namely Portugal. Despite this difference between 2007 and 2009, it should be noted that Portugal stands out as a country with high levels of agreement with the influence of education on fostering entrepreneurship.

It should also be noted that, in this study, the youngest European respondents and those who were still in school were the most likely to agree with the importance of education in preparing them to become entrepreneurs. It is concluded that, despite various initiatives, there is still a long way to go for education to play a strong role in fostering entrepreneurship.



The research developed by the European Commission (2012) also shows the efforts made, and still under development by EU countries to promote entrepreneurship education. It was found that about one third of European countries offer support in this sense, which can consist of pedagogical guidelines and/or teaching materials.

But integrating entrepreneurship in education is not the only challenge. The needs of today's society force a change both in the population in general and in education systems, as there is a mutual influence between these two dimensions (society vs. education system). Therefore, it is important to fight the culture of penalisation of error and mass schooling and to bear in mind the constant social risk and uncertainty, as well as the need to have a favourable environment for the promotion of entrepreneurship. It is urgent that teachers/trainers learn to deal with errors in a positive way, using them as a learning tool. The existence of a culture that penalises mistakes, consequently blocks people's ability to make decisions that imply taking risks.

Today, more than ever, we live in a society of risks (environmental, technological, but also social and economic risks, which are given special emphasis here). This fact aggravates the intrinsic aversion that human beings, in general, have towards risk. In this context, in Portugal, a recommendation was published by the Ministry of Education and Science on 20 October 2011, with the aim of educating citizens to risk, i.e., to make informed decisions. The school, municipalities, museums and science centres, the media, as well as other specific entities are mentioned as means to promote this education. The aim is to make risk known, also in its positive side: the possibility to change society, to innovate, to obtain professional success.

The effort of education for entrepreneurship is part of a strategic logic at European and national level, in order to develop skills, from an early age, in children and young people. It is therefore important to deepen knowledge about one of the projects developed at national level, specifically the National Plan for Entrepreneurship Education (PNEE), hereinafter also called Project.

## **5. The National Plan for Entrepreneurship Education (PNEE) in Portugal**

Characterizing the PNEE at the national level is one of the axes developed with the objective of exploring the theme of education for entrepreneurship. To this end, the fundamentals and guidelines of the Project are presented, its form of application and evolution, as well as described, its most specific characteristics.

## **6. Fundamentals and guidelines**

The PNEE, conceived and under the responsibility of the Ministry of Education's Directorate-General for Innovation and Curriculum Development (DGIDC),

was approved by the same Directorate in October 2006 and is essentially based on a Communication from the Commission of the European Communities, held on February 13, 2006, entitled “Implementing the Community Lisbon Program: Fostering entrepreneurial mindsets through education and learning”.

This communication highlighted, among other aspects, the importance of acquiring the basics of entrepreneurship from an early age; the positive contribution that education systems can have in fostering entrepreneurship; the relevance of learning by doing and experience to acquire skills and an entrepreneurial spirit; the advantages of establishing partnerships between schools and other entities (public or private), namely business and community; and the importance of schools benefiting from practical support and incentives to foster entrepreneurship and of teachers acquiring adequate training.

**Thus, the PNEE defends an action based on the following guidelines:**

- Students, in primary and secondary education, should develop a multidisciplinary and transversal set of skills and knowledge that enable them to undertake lifelong learning, mobilize curriculum knowledge and foster participation and civic action in society;
- Develop an innovative pedagogical approach, fostering learning by doing, where curricular learning has a practical component and students are active in that learning, and where teaching takes into account the specificities of each student;
- The School should act on the basis of teamwork, cooperative and collaborative at different levels: in the classroom, in the school, in the local/environment, nationally or internationally.

## **7. Implementation and Evolution of the PNEE**

The implementation of the PNEE began with a pilot phase in the 2006/2007 school year, which allowed its effectiveness to be evaluated and strategies to be developed to better adapt it to reality and needs felt. Twenty-three schools that participated in this experimental phase were invited to join the PNEE.

In this pilot project, the awareness of some elements of the school community was raised on the subject of entrepreneurship. This awareness-raising consisted in the DGIDC, under the scope of School and Career Guidance, carrying out a set of actions with information/training character. These took place during the months of March, April and June 2006 and were aimed at the technicians of education and guidance of all regions (in particular, the technicians assigned to the Psychology and Guidance Services (SPO) and the elements of the Executive Councils), in cooperation with the respective Regional Directorates of Education (DRE) of the mainland and, in the case of the Azores, through the respective Regional Directorate of Education and Training<sup>27</sup> (DREFAçores).

Central Business (CB), a company accredited in this area and holder of the knowledge deemed necessary for the purpose, assisted in the preparation of the activities and subsequent technical operationalization proposals. The DRE, CB, the Business Innovation Centre<sup>28</sup> (BIC) and the National Confederation of Parents' Associations (CONFAP) were part of the work team, with each entity exercising their respective roles. For the purposes of monitoring, supervision and evaluation, an Evaluation Committee was set up, which included: the DGIDC; a representative of each of the five mainland Portugal DREs; a representative of the DREFAçores; the Director General of the CB and a technician from this entity; a representative of CONFAP; the President of the Portuguese BIC Association and members of the BIC who provided direct support to the schools involved. In view of the results obtained, on August 14, 2007, the Secretary of State for Education approved the continuation of the national initiative for entrepreneurship education for 3 years (2007/2010).

It should be noted that, contrary to what happened in the pilot phase (where only students from the second and third cycles and high school participated), in the 2007/2008 school year, the Project also allowed primary and vocational schools to integrate the PNEE.

For the 2008/2009 school year, it was decided to consolidate the results achieved so far, instead of extending the Project to the universe of primary and secondary schools, emphasizing the continuity of the Project in schools that were already part of it (Ministério da Educação. DGIDC, 2009a).

However, the goal was to increase the number of students/classes/projects/groups compared to 2007/2008, as well as to increase the involvement of students, education and guidance professionals, parents, and other partnerships in order to give continuity to the work developed, contemplating it in its educational project and its annual planning.

Thus, in the school year in question (2008/2009), the PNEE kept the methodological purposes. Likewise, the support and monitoring of the schools that integrated it was maintained (in a first phase until December 2008), through the training "Education for Entrepreneurship in School", in the project modality, registered in the Educational Development Program for Portugal (PRODEP).

In a second phase, support was given through the PNEE's Virtual Community - DGIDC's Moodle Platform and/or through contact by electronic, telephone or face-to-face contact. Although in a more occasional way, the schools continued to benefit from the support of the DRE technicians, as well as the BIC entities.

In April 2009, a gradual restructuring of the PNEE was carried out. It was then foreseen that the project should continue to be developed in the defined molds, but in a future perspective of sustainability. In other words, the schools themselves began to mobilize in order to find partnerships, the means and resources necessary for the promotion of Entrepreneurship Education among their students.

It was also defined the need to start an external evaluation, to allow a greater dissemination at regional, national and international level, as well as the creation of materials that, together with those already produced, would allow a continuity in supporting schools from the 2009/2010 school year.

This restructuring provided that the interested schools could, in a self-sustained manner, continue the PNEE during the subsequent school years. Being a large-scale and long-duration project, the actions developed were diversified, as well as the human and material resources involved in the implementation of the PNEE. shows the actions developed, in order to allow a summary overview of the entire course of the project over time.

### **Specific characteristics of the PNEE:**

**A. Mission:** To ensure that “students and young learners have access to an education that encourages individual entrepreneurship through the development of skills embedded in critical and creative thinking, geared towards change and problem solving“.

**B. Main Objective:** Promote entrepreneurial actions and develop, among students from primary and secondary schools, skills and attitudes that allow them to be enterprising.

**C. Target Audience:** Primary and secondary schools/groupings and, inherently, students, parents and guardians, management bodies, teachers, and other school education and guidance personnel.

**D. Key competencies for entrepreneurship development:**

- Self-confidence/ Risk-taking;
- Initiative/ Energy;
- Resistance to failure/ Resilience;
- Planning/ Organization;
- Creativity/ Innovation;
- Interpersonal relationships/ Communication.

**E. Values:** Social responsibility; innovation and action-reflection.

**F. Purposes:** - To promote entrepreneurship in primary and secondary schools, understood as a global action project of the School, of education for entrepreneurship, included in its educational project, leading to the sustained development of an entrepreneurial school culture, actively committed to social appropriation of the entrepreneurial spirit according to three vectors of strength: personal fulfillment - cultural capital; employability - human capital; citizenship and social inclusion - social capital.

- To ensure that students have developed, by the end of compulsory and upper secondary education, a multidisciplinary and transversal set of competencies (knowledge, skills, and attitudes), around the organization of experiences framed in the curriculum (disciplinary and/or non-disciplinary), involving three dimensions simultaneously: key competencies for lifelong entrepreneurship, curricular competencies, participation and civic action in society.

- Encourage the establishment and streamlining of partnerships between the public and private sectors, considered crucial to the development of entrepreneurship education, by building meaningful links between school, business, and the community.

**G. Thematic axes of action:** Social: dynamization and active participation in projects or actions of a social nature.

**H. Technological and Scientific:** dynamization and active participation in projects or actions of a technological and scientific nature, and not only the use of Information and Communication Technologies (ICT).

**I. Methodology:** Learn-by-doing: the focus is placed on the student in order to make him/her active in the learning process, which takes place through practice. Everyone's interests, needs and demands are taken into consideration.

**J. Curricular areas for the promotion of entrepreneurship:** Subjects (considered essential): Portuguese Language, Mathematics, Environmental Study and the Experimental Teaching of Science, English, ICT.

**K. Non-curricular:** Project, Civic Education, Artistic Expressions and Musical Expression, Physical Activity and Sports, Other Activities of Curricular Enrichment.

**L. Support provided to schools:** Support provided by the central and regional services of the Ministry of Education and by specialized entities (BIC).

## 8. Educating for entrepreneurship in order to promote an entrepreneurial culture

Identified the need for change at European level (clearly from 2000) – transforming the EU into the most competitive and dynamic knowledge economy in the world – education is recognized as a key area in the pursuit of this goal. Thus, in Portugal, the PNEE was created with the aim of promoting education for entrepreneurship, which began in 2006/2007 as a pilot project and required cultural, organizational and personal adaptations. During its duration (between 2007 and 2010), it underwent changes and adaptations resulting from monitoring and evaluation to which it was subject, eventually promoting the autonomy of schools in the pursuit of the objectives of the Project.

This study aimed to get to know the PNEE in depth, exploring the theme of entrepreneurship education around three axes: characteristics of the PNEE at the national level; the process of adhesion and implementation of the PNEE at the local level; and perceptions about the process of implementation of the PNEE at the local level.

Regarding the third axis, it should be noted that there were some limitations, namely the reduced number of interviews conducted and their distribution among the agents involved. This situation was due to factors beyond the researcher's control, such as: teachers' mobility, students' transition to other schools, and the unavailability of possible interviewees. These aspects made it difficult to develop an investigation that would take into account the perceptions of the various actors, as well as the identification of the impacts on the target audience. Thus, it was decided to conduct an exploratory study that focused on the opinion of an actor from each school investigated who, at the time, was a member of the PNEE Monitoring Committee.

The aim was to ensure methodological integration, through the use of bibliographic and documental research and the use of interviews. Thus, data were triangulated in order to enrich and complement the research. This is, therefore, a study that integrates both objective and subjective data.

In this context, some considerations are made here that account for relevant aspects when talking about entrepreneurship education.

## 9. The existence of a will

Entrepreneurship requires will. The existence of a collective will to change. In this school context, the will to undertake should arise mainly from those who have more power, those who lead, in this case, the executive board. But in addition to the existence of a will and the ability to motivate and mobilize those who lead, there are other factors that facilitate the promotion of entrepreneurship education. Taking as reference Schools analyzed in the PNEE, School 2 stands out for being the most successful in implementing the Project, it is important to note that the involvement of teachers may have been facilitated by the fact that it has a smaller number of teachers, compared to the other three Schools. The mobilization effort is not so demanding on the part of the person who leads (the executive board), and, in addition, the group spirit and cooperation is strengthened thanks to a greater union and proximity, which hinders a higher number of elements.

The integration of the schools into the PNEE was carried out by invitation or through application. It is considered that in the situations in which the school applied, there was an intrinsic will. In these cases, it is easier to mobilize the remaining members of the school, such as the teaching and non-teaching staff and, consequently, the students.

The data analysis presented above also suggests that the way the investigated Schools joined the PNEE determined the whole remaining implementation process, from the design of the projects developed in the context, to the interviewees' perception of the Project regarding its suitability to reality, its impacts and its non-continuity.

In the cases where the PNEE was integrated through an application, a will and a greater ownership of the objectives to be achieved can be identified, which translated into an effort to develop projects based on that same will, avoiding, more easily, de-contextualized interventions.

Mobilizing the teaching staff to educate for entrepreneurship proves to be an arduous task. Likewise, it is difficult to mobilize students to acquire entrepreneurial skills. The role of the former is considered to be essential in the development and evolution of the latter. It is the educators and teachers who work most closely with the students and, therefore, have some power to instill in them certain skills, knowledge and experiences.

The students' lack of initiative shows the importance of the teacher as a guide and mediator in their formative journey. It is urgent to motivate students who, today, find in school just another means of receiving information (placed alongside other sources, often more attractive like television and the Internet). Thus, it is increasingly difficult to motivate students and, therefore, it is important to bet on a personalized education that allows the teacher to find in the student (and, often, help the student to find) his dream, his passion, his personal project.

But how to mobilize teachers? Training teachers, on the subject of entrepreneurship and on how and what are the best ways to put entrepreneurship education into practice, is believed to be one way to mobilize them for the cause.

## **10. The Adaptation of the PNEE to School**

As its name implies, the PNEE is designed to be applied at the national level. For this reason, it is important that it be seen as a model that needs to be adapted to each context. However, it is suggested that this adaptation be analyzed in two dimensions: the school as an organization and the school integrated in a community.

## **11. The School as an Organization**

As an organization, the school has a structure in which certain procedures, rules and guidelines are followed. There is an established way of working that must be taken into account when you want to implement something different, as was the case with the PNEE.

According to the perceptions of most of the interviewees, the organizational structure of the school presented several obstacles to the implementation of the PNEE, such as: a large bureaucratic burden required from teachers; the non-consideration of entrepreneurship in the school curricula and, consequently, the lack of school time dedicated to the subject; and the high mobility of teachers resulting from the current hiring system.

Regarding the mobility of teachers, it can be said that this fact is partly related to the point explored below, since teachers in these conditions hinder their knowledge of the context; their interpersonal relationship with other colleagues and, consequently, collaborative work; the sense of belonging and dedication and commitment to the project, among other aspects.

On the other hand, the PNEE was considered by most of the schools studied as extremely bureaucratic and demanding, given the additional efforts required (travel to benefit from training and sharing of experiences and projects with other schools, and consequent change of classes that had to be taught at another time). This fact reflected some conflict between the organizational structure of the school and the PNEE.

There was also a difficulty in integrating entrepreneurship in the existing subjects and, when it happened, it was carried out in an individualized way, focused only on one/some subjects (essentially in the Project Area) that work on themselves and put aside the multidisciplinary work. The fact that the project developed by School 2 is integrated multidisciplinary, reflects an effort of articulation between curriculum subjects and the goal of educating for entrepreneurship, requiring the dedication of teachers. The centrality in the student and the application of the learning-by-doing methodology were verified. The performance of the students, teachers, and other elements involved was made up of phases that took into account the school periods. The students' performance was evaluated and taken into consideration in their final grades, verifying an articulation between the curricular contents and the promotion of entrepreneurship.

## **12. The school integrated in a community**

The school does not act by itself, it is a part of the whole community. When one wishes to implement a project, in this case in the school, it is important that there is an adaptation to the context. As Guerra (2000:127) shows, after the existence of a desire it is necessary to move on to the second phase and carry out the situation analysis and diagnosis. In this way, it becomes possible to know the stakeholders and establish partnerships, which, according to Clara Santos (2011:7), results in advantages for the surrounding parties. Taking into account the structure of the PNEE (its form of application that starts from the general to the particular), a joint work between the internal elements and the elements external to the school is required, in order to achieve success. The analysis of the situation and the diagnosis mentioned above allow for the identification of existing needs and, consequently, for the design of an appropriate project.

## **13. How to promote an entrepreneurial culture?**

The challenge that Portugal and the EU have been facing is to replace the culture of penalizing error with an entrepreneurial culture, opening up paths to creativity and innovation and using error as a means of evolution. But how to achieve this replacement? It is known that only in the long term will there be a wider impact, however, it is important to go on sowing the seeds of entrepreneurship so that in the future more and better fruits will be harvested.

School/education is considered to be one of the essential means to achieve this goal. Therefore, it is up to those who have knowledge and experience in entrepreneurship to transmit it, through training, to the school and, essentially, to the teachers. These, in turn, will educate their students in entrepreneurship, through their teaching practice and shared content.



By acquiring this knowledge, students will pass it on to their families (present and future) and, in addition, they will become enterprising citizens, thus changing their community and culture. In short, there is an interdependence between actors/systems: macro (family, community, culture), meso (school, teaching and non-teaching staff), and micro (students and experts).

Beyond this, it is important to note that conditions are needed for entrepreneurship education to be promoted. These conditions should be fostered, in a first instance, by the decision-making bodies, as is the case of the Ministry of Education, which will condition the remaining intervention bodies. It is necessary to draw up a restructuring plan at different levels: organizational, curricular, contractual, among others.

It is suggested that this restructuring, whose objective is to educate for entrepreneurship, should take place through the integration of entrepreneurship into existing subject areas. Entrepreneurship does not exist by itself, it is articulated with other knowledge. Becoming an entrepreneur means acquiring, applying, and building a set of skills and knowledge. Thus, it will be important to understand which skills should be developed in each subject and build resources that teachers and other stakeholders can use. Putting the acquired skills into practice will require the development of a project resulting from multidisciplinary work in which students and teachers are involved, promoting articulation with the community and thus fostering a more entrepreneurial culture. This could be an axis for future research.

The research developed shows that promoting and educating for entrepreneurship still has a long way to go. There are changes that have to occur, adaptations that have to be made, cultures that have to be transformed, and certainly this has to be a persistent and continuous struggle.

## 14. Conclusion

The concept of social entrepreneurship has gained prominence in the global academic, political and media agenda, largely because it is a promise of lasting social impact and change, which appears more informed and adapted to the social challenges of the 21st century. Starting from the theories on entrepreneurship, its social aspect has managed to assert its autonomy both for its specificities and for the prominence and nature of its activities and results. The works developed in the American and European sphere have sought to grasp these new dynamics and trends in the third sector and consolidate a conceptual field that is still disperse and fragmented. In this sense, Defourny and Borzaga reflect on the convergent points between the American tradition of the non-profit sector and the European tradition of the social economy, highlighting the following dimensions that characterize social entrepreneurship: the formal/institutional existence in the form of an organization; the private nature, i.e., not belonging either to the state or to the market; self-governance, i.e., self-regulation or independent management; the voluntary and free nature of the membership of its members.

Although this comparative work argues that it is the combination of the characteristic elements of cooperatives and the non-profit sector that gives a new dynamic to social entrepreneurship, it nevertheless neglects the contributions of the entrepreneurial approach and American social innovation, which bring new elements to the analysis. Among the main aspects of the latter aspects, it is worth noting that the sustainability of organizations has become central in both the American and European contexts, imposing market logics and management strategies that are increasingly closer to those of profit-making companies. Another trend in the American theoretical debate, rejected by the European school, is related to the transversal analysis of social entrepreneurship practices within the various sectors (whether they take place in the public sphere, the third sector, or the private for-profit sector), making the approach to the phenomenon more complex and disperse. Trying to bridge the two main North American currents described here, Dees and Anderson state that we should focus on social entrepreneurs who carry out innovations, resulting from combinations of methods from both the business and philanthropic worlds, to create social value in a sustainable way and with potential for large-scale impact. It is within this framework that corporate social responsibility is seen as social entrepreneurship.

For all these reasons, we believe that the advancement of the theoretical body of social entrepreneurship will be made through careful and critical observation of the various contributions that have emerged from different perspectives and geographies as well as the analysis of the empirical reality of third sector organizations, to which we intend to contribute with the analysis of the Portuguese context.

## The Zofia Zamenhof Foundation

**Zofia Zamenhoff Foundation** aims at preserving democratic structures and European values in Poland and spreading these values in eastern Europe countries which do not belong to European Union yet. Shaping civil attitudes as well as supporting civil activities are main directions of our foundation.



We support initiatives aiming at educating society in the range of civil rights, democratic values and respecting the role of an individual in society. We want to carry out programmes preventing poverty and social exclusion. We are of the opinion that this only thanks to proper education that we are able to create real social integration and consolidate the rules of democracy. One of our main priorities is to cooperate in order to develop various educational systems for adults and young people.

Other priorities include: shaping civil attitudes by education, international cooperation, intercultural activities, supporting social systems of democratization and public structures in Eastern Partnership.

Zofia Zamenhof Foundation aims at propagating the idea of freedom, the rules of democracy, cultural diversity and tolerance. Throughout our work, we want to show how to solve social problems. We want to contribute to increase the level of education of various social groups in countries where we are going to run our work and to have an influence on the integration processes between nations. We are certain that this is education which gives a chance to grow and makes the social differences smaller. Intercultural dialogue is possible thanks to education. Thus, our work aims also at education and training, also in the aspect of international cooperation. We also want to propagate the knowledge about the people connected with the ideas of our foundation. Below there are short biographies of our patrons.

# V. Problems of social cooperatives

**Authors- Wojciech Duranowski, Zbigniew Dąbrowski, Barbara Makarewicz  
The Zofia Zamenhof Foundation, Poland**

## 1. Introduction

Social cooperatives play an important role in society, combining business goals with social values. They aim to create jobs, counteract social exclusion, meet social and environmental needs, and generate social benefits. The realization of these goals contributes to positive change in the structure and operation of societies. However, despite their valuable activities, social cooperatives often face a number of challenges that hinder their success and sustainability.

Based on research commissioned by the Zofia Zamenhof Foundation - “Characteristics of selected social cooperatives in the Mazovian province and the contexts in which they were formed” - we undertook an analysis of the most common problems faced by social cooperatives. In this chapter, we will focus on identifying and describing seven of them. We will analyze these challenges, highlighting their causes, consequences, and potential coping strategies.

The first problem is the lack of a stable source of funding, which often leads to difficulties in maintaining the operations of social cooperatives and paying salaries to employees. The second problem is the lack of access to capital, which hinders development and investment - especially when social cooperatives cannot tap traditional sources of funding. Another challenge is the lack of management skills, which can lead to difficulties in effective planning, organizing, and decision-making. Competition in the market is also a potential difficulty faced by social cooperatives, especially in sectors where there is a lot of competition between them and traditional businesses. The next problem is a lack of public awareness and education, which can make it difficult to win customers and business partners. Also, the diverse skills of the workforce pose a major challenge, requiring flexible team management and coordination by those in charge of the cooperative’s operations. The last problem described is the lack of institutional support, which can make it difficult to obtain resources, access training, and use public infrastructure. Analyzing these seven problems will help us better understand the challenges faced by social cooperatives and identify potential coping strategies. It is necessary to develop effective solutions that will enable social cooperatives to achieve their social goals while maintaining financial stability and long-term success. Knowing the potential obstacles to establishing a social cooperative is also valuable knowledge, as it allows one to identify risks before they occur and create coping strategies to deal with common difficult situations.

It is worth noting that the problems faced by social cooperatives may vary depending on the country, the socio-economic context, and the specifics of a particular cooperative. In the following text, we have based our analysis on the situation of these organizations in Poland, but based on a review of foreign academic articles and data collected by the European Union, we believe that the difficulties identified are universal and can affect social cooperatives in any country.

## 2. Lack of a stable source of funding

The lack of a stable source of funding is one of the most serious challenges faced by social cooperatives. They often face difficulties in securing a regular and reliable income, which can lead to many problems, both in sustaining operations and paying employees.

Social cooperatives, as organizations with a social character, often operate in sectors that do not guarantee high profits. They may operate in the areas of social services, recreation, culture, or environmental protection. They often focus on solving social or environmental problems that are less profitable from a market perspective. As a result, social cooperatives often struggle with limited income-generating opportunities.

Limited access to traditional sources of financing, such as bank loans, may also be one of the reasons for the lack of a stable source of funding. Since social cooperatives often do not operate for profit, they may face difficulties meeting credit requirements or documenting their creditworthiness.

In addition, some social cooperatives may depend on receiving grants or subsidies that are limited in time and quantity. In the absence of permanent funding, social cooperatives may find it difficult to plan their activities for the long term and sustain their operations.

Examples of problems resulting from the lack of a stable source of funding may include delays in paying salaries to social cooperative employees or the inability to hire new employees, which can limit the organization's growth. In addition, social cooperatives may find it difficult to invest in the development of their services or in the purchase of necessary equipment and tools, which can affect the quality of the services provided and their competitiveness in the market.

Social cooperatives can apply several strategies to address the lack of a stable source of financing and help them achieve long-term financial sustainability and growth.

- **Diversification of income:** It is important for social cooperatives to seek a variety of funding sources. These can include grants from the government, European funds, private funds, social investors, or partnerships with other organizations or businesses. Diversity of income reduces the risk associated with losing one main source of funding.
- **Development of own products and services:** Cooperatives can invest in developing new products and services that address specific market needs. Successful implementation of such initiatives attracts new customers and generates additional revenue.

- **Effective financial management:** Proper financial management is key. Cooperatives should track their expenses, budget, and identify potential savings. Proper accounting and financial reporting allow close control over the organization's finances
- **Collaborations and partnerships:** Establishing strategic partnerships with other organizations, businesses, or institutions can provide cooperatives with access to new funding sources, customers, or markets. Collaborations allow for the mutual use of resources and the joint development of projects.
- **Crowdfunding and community campaigns:** Cooperatives can engage the community in their activities through crowdfunding campaigns or community actions where people can support their mission financially or through promotion and support on social media.
- **Focus on profitable activities:** Cooperatives should identify and focus on activities that are both socially valuable and generate revenue. This enables efficient use of resources and time.

In conclusion, social cooperatives should strive for revenue diversity, effective financial management, innovation, cooperation, and community involvement to address the lack of a stable funding source. A combination of these strategies will allow them to achieve stability and long-term success.

### 3. Lack of access to capital

Lack of access to capital is a significant problem for social cooperatives, as it hinders their development, investment, and successful operation. Often, social cooperatives face difficulties in raising sufficient funds, especially if they cannot use traditional sources of financing.

One of the main reasons for the lack of access to capital is that social cooperatives often operate in sectors that are not attractive to commercial investors. Because of their social and environmental goals, social cooperatives may not generate as high a return as companies operating in the purely commercial sector. The lack of prospects for a significant return on investment can discourage potential investors and make it difficult to raise capital.

In addition, traditional sources of financing, such as bank loans, may be unavailable or difficult for social cooperatives to obtain. Banks often require collateral or proof of creditworthiness, which social cooperatives may not meet due to their specific ownership structure and social goals.

Examples of difficulties resulting from a lack of access to capital may include the limited ability to expand operations or introduce new services, hire more employees, purchase necessary equipment, or upgrade infrastructure. Social cooperatives may also be unable to compete with traditional businesses, which have access to greater financial resources and can pursue aggressive marketing strategies.

To overcome these challenges, social cooperatives often seek alternative sources of funding. These can include the aforementioned grants, subsidies, or support programs offered by nonprofit organizations, foundations, the government, or international institutions. In addition, social cooperatives develop partnerships with social investors who are interested in funding social and environmental ventures.

Crowdfunding has also become popular in recent years, allowing social cooperatives to raise funds from communities that support their goals and activities. Crowdfunding or investment platforms can be a valuable source of capital for them.

#### **4. Lack of management skills**

Lack of management skills is a significant problem for some social cooperatives, which may face difficulties due to a lack of business management experience. Many members of social cooperatives are involved in the venture because of their social goals and passion, but they may lack management skills, which are crucial for effective planning, organizing, and decision-making.

Social entrepreneurship requires both business and social skills. Lack of management skills can lead to organizational chaos, misallocation of resources, inefficient processes, and difficulty making strategic decisions. Social cooperatives that lack adequate management skills can find themselves in a difficult situation when facing financial, organizational, or operational problems.

Examples of the difficulties associated with a lack of management skills are numerous and can significantly affect the operation of social cooperatives. Ineffective strategic planning can lead to vaguely defined goals and inadequate actions, resulting in wasted resources and missed opportunities for growth. Lack of consistency between the organization's assumptions and the practical approach to their implementation causes chaos and confusion within the team.

Improper human resource management is another problem facing social cooperatives. Insufficient commitment, poor communication, or a lack of adequate training and competence development among employees leads to lower productivity and motivation in the team. Difficulties in creating effective organizational structures also affect the smooth functioning of cooperatives. If hierarchies and divisions of responsibility are not well-defined, decisions are made haphazardly, and the efficiency of the organization is limited.

In addition, a lack of skills in the areas of marketing, sales, finance, or customer service also has a negative impact on cooperatives. Inadequate skills in these areas can lead to difficulties reaching customers, reducing revenue sources, and losing competitiveness in the market.

However, there are many ways to overcome these difficulties. Social cooperatives can invest in developing management skills through training, courses, mentoring, and external support. Collaborating with NGOs, local universities, or other experts can provide the necessary knowledge and business skills.

In addition, participation in industry networks and organizations can provide access to mentors, experts, and experience from other social actors.

It is also important for social cooperatives to consider working with people with business management experience who can serve as consultants or board members. This can help strengthen the management structure and implement the best business practices.

## 5. Competition in the market

Market competition is a significant problem for social cooperatives, which often operate in sectors where there is a lot of competition from traditional companies. Competing with these companies can be a challenge for social cooperatives, especially if they have fewer resources and limited marketing capabilities.

Traditional businesses often operate with profit as their primary motivator, which allows them to have aggressive marketing strategies, invest in advertising, and offer products or services at competitive prices. Social cooperatives, on the other hand, often have limited marketing budgets and tend to focus on social or environmental values, which can affect their ability to effectively promote and acquire customers.

In addition, traditional companies often have greater financial, technological, and network resources, which gives them a competitive advantage. They can innovate, invest in new technologies, offer a wider range of products or services, and enjoy the benefits of larger-scale operations. Social cooperatives often face difficulties competing with these companies due to a lack of equal resources.

Examples of difficulties resulting from competition in the market for social cooperatives include loss of customers to traditional businesses, reduced opportunities for growth, less ability to innovate, and difficulties in maintaining financial stability. Competition can lead to downward pressure on prices, which can negatively affect the profitability of social cooperatives, which often operate to fulfill a social mission rather than maximize profit.

To cope with this challenge, social cooperatives need to focus on building their unique added value and strong brand image to stand out from the competition. They can focus on the quality of their services, the success stories of their members, the social benefits they bring to the local community, and a relationship with their customers based on social values.

It is also important for social cooperatives to develop their marketing and relationship-building skills. They can do this through training, working with experts, or organizations that offer support in the area of marketing. Using modern communication and promotion tools, such as social media, can be an effective way to reach their target audience.

Examples of measures taken to help social cooperatives compete in the market are grant or subsidy programs offered by non-profit organizations, local governments,



or international institutions. These programs can provide financial support for the development and promotion of social cooperatives, which increases their chances of competing with traditional businesses.

## 6. Lack of public awareness and education

Lack of public awareness and education is a significant problem for social cooperatives, as some communities may not be aware of these organizations or understand their social value. A lack of awareness can hinder the acquisition of customers and business partners and affect the development and effectiveness of social cooperatives.

Many people may not be familiar with the idea of social cooperatives and their specific business model. Social cooperatives often work to solve social or environmental problems or create jobs for people at risk of exclusion. However, a lack of education and information on the subject can lead to a low level of public awareness of social cooperatives that exist even in their immediate vicinity.

Lack of social awareness can make it difficult for social cooperatives to gain customers. If potential clients do not understand the social values or social impact of social cooperatives, they may be reluctant to use their services or prefer traditional enterprises with greater financial stability. As a result, social cooperatives may face difficulties in attracting clients, which affects their financial stability and development. This is an example of a vicious circle that continually affects the weak business position of social cooperatives.

In addition, a lack of public awareness may also affect the ability of social cooperatives to establish business partnerships. Outside companies may not understand how they can partner with a social cooperative, what benefits they can derive from doing so, or what values are associated with it. This can lead to missed opportunities for potential partnerships that could contribute to the development of social cooperatives.

Examples of difficulties resulting from a lack of public awareness and education may include a lack of community interest in the activities and services offered by social cooperatives, few clients, difficulties in obtaining grants or subsidies, and limited opportunities for cooperation with local institutions or organizations.

To address these problems, social cooperatives can take steps to raise public awareness of their activities and the values they promote. They can organize information campaigns, community meetings, presentations, or workshops to help explain the idea of social cooperatives and their role in society. Collaboration with local media and online communities can also help increase visibility and public awareness.

In addition, education about social cooperatives can be introduced in schools and educational institutions to influence the awareness of future generations. Educational programs can include lessons on social entrepreneurship, visits to social cooperatives, or projects that involve students in community activities.

Activities of this nature are part of the trend promoted today of decentralizing activities from the social policy sector and supporting civic activity at local levels.

## 7. Diversified skills of employees

Diverse workforce skills pose a significant challenge for social cooperatives, which often employ people with different skills and experiences. This diversity can affect team management and work coordination, requiring social cooperatives to be flexible and able to effectively exploit differences among employees.

Social cooperatives often involve people who may have different professional skills or come from different backgrounds, age groups, or cultures. They may be formerly unemployed, people with disabilities, migrants, long-term unemployed, or socially disadvantaged. The diversity of these skills and experiences can be an asset to social cooperatives, but it can also pose challenges in managing the team.

One of the challenges of a diverse workforce is effective team management. Social cooperatives must be able to create an atmosphere of cooperation and engagement, help employees develop their skills and competencies, and support diverse work styles and perspectives. This requires communication and motivational skills and knowledge of relationship-building techniques.

Coordinating work is also a challenge when workers have diverse skills. Social cooperatives need to find appropriate methods of organizing work that take into account the different roles, tasks, and skills of their employees. Proper assignment of tasks and appropriate use of diverse skill sets can be crucial to the effectiveness of a cooperative's operations.

Examples of difficulties arising from diverse employee skills may include difficulties in communication and team communication, differences in work pace, difficulties in motivating different groups of employees, the need to provide training and support for employees with different skill levels, and the need for flexibility to accommodate different work styles.

To deal with this challenge, social cooperatives can invest in developing team management skills. They can organize training and workshops to help team leaders develop communication, relationship-building, and conflict resolution skills. It is also important to create an open and supportive work environment that allows employees to use their skills and add value to the organization.

In addition, social cooperatives can create professional development programs that allow employees to develop their skills and advance internally. Examples of such activities include training courses, mentoring, internships, or opportunities to participate in development projects and initiatives.

An example of measures taken to manage the diverse skills of employees are the social integration and support programs that social cooperatives offer.

Through such programs, employees can develop social skills, learn from each other, and work together toward common goals.

## 8. Lack of institutional support

The lack of institutional support is a significant problem for some social cooperatives, which may face difficulties in obtaining support from local or regional authorities. The lack of this support can have a negative impact on the acquisition of resources, access to training, and the ability to use public infrastructure. Local and regional governments play an important role in creating a favorable environment for the development of social cooperatives. They can offer various forms of support, such as grants, subsidies, development programs, access to infrastructure, or administrative facilities. However, some social cooperatives may encounter a lack of such support, which hinders their operations and development.

Lack of institutional support can have a negative impact on the acquisition of resources by social cooperatives. Grants and subsidies are often necessary to fund investment, development, training, or business expansion. If social cooperatives do not have access to external institutional support, they may be limited in their ability to achieve their social goals and business development.

In addition, a lack of institutional support can hinder social cooperatives' access to training and development programs. Local and regional governments may offer such programs to help develop business, management, or innovation skills. The lack of this assistance can limit the development opportunities for social cooperatives' employees and affect their competitiveness in the market.

In addition, a lack of institutional support can affect access to public infrastructure. Social cooperatives often need access to adequate infrastructure, such as premises, warehouses, land, or technical facilities. However, a lack of local government support can make it difficult to gain access to such infrastructure or lead to higher rental or purchase costs.

To cope with this challenge, social cooperatives can take steps to build relationships and cooperation with local and regional authorities. It is important for social cooperatives to actively participate in dialogue with authorities and explain their social goals, the effectiveness of their activities, and the benefits they bring to the local community. They can also engage in initiatives and projects that are supported or promoted by the authorities, which can help increase the chances of obtaining institutional support.

In addition, social cooperatives can seek support from programs and initiatives organized by NGOs, foundations, or European or international institutions. This may include the possibility of applying for grants, subsidies, or development programs that support social entrepreneurship and initiatives of a social nature. Examples of measures taken to provide institutional support for social cooperatives include government programs or local initiatives that offer special funds or grants for the development of social entrepreneurship.

For example, in some European countries, there are programs to support the creation and development of social cooperatives, which offer financial support for investment, training, or the development of their products and services.

## 9. Summary

In conclusion, seven of the most common problems faced by social cooperatives are discussed. Lack of a stable source of funding, lack of access to capital, lack of management skills, competition in the market, lack of public awareness and education, diversity of employee skills, and lack of institutional support – all of these challenges can affect the stability, development, and effectiveness of social cooperatives.

It is important that the scientific community, policymakers, NGOs, and representatives of social cooperatives themselves realize these problems and take appropriate measures to solve them. It is necessary to take comprehensive measures on many fronts to support the development of social cooperatives and increase their ability to carry out social missions.

Examples of coping strategies include: seeking alternative sources of funding, such as grants, subsidies, or social investors; developing management skills through training and mentoring; building a strong brand image and public awareness through outreach campaigns and community engagement; creating skills development programs for employees; establishing strategic business and institutional partnerships; and building dialogue and collaboration with local and regional governments to gain institutional support.

By taking these steps and taking a proactive approach to solving problems, social cooperatives can transform difficulties into opportunities for growth. Many entrepreneurial social cooperative leaders around the world are demonstrating that it is possible to achieve business success while generating social benefits and making a positive impact on society.

Promoting the development and growth of social cooperatives is an investment in a more equitable and sustainable society. This requires cooperation between the public sector, the private sector, and the social sector, as well as strengthening public awareness of the role that social cooperatives play in society.

Overcoming these seven problems is critical to the long-term success of social cooperatives and the fulfillment of their social missions. Their potential to create a positive impact is enormous, and understanding and support for these organizations are essential to building a more just and sustainable society.

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# VI. Participation of social cooperatives in the field of public health on the example of CUS Drobin

**Authors - Franciszek Wróbel, Adrian Maćkiewicz,  
The Zofia Zamenhof Foundation Poland**

## 1. The concept of health and prevention in medicine and the social sciences

Health as defined by the World Health Organization - is a state of complete physical, mental and social well-being<sup>1</sup>. In recent years, this definition has been supplemented by the fitness to lead a productive social and economic life, as well as in spiritual and psychological dimensions. Health is a very broad and often debated issue. The ability to lead a “full” spiritual life seems, at least in the understanding of some, a rather vague term hence there are serious doubts whether to include its presence in the definition. Controversy also surrounds the area of economic health; for how do we define “leading a productive economic life”? These are possible doubts because of which (as the author suspects) it was decided to remove these aspects of individual functioning from the definition of health. Let’s try to define what the various aspects of health could be by dividing health into certain categories:

**Physical health** - the proper functioning of the body, its systems and organs. Physical health also talks about the balance between anabolic (creation) and catabolic (decomposition) processes. We consider an organism to be physically healthy when there are no pathological processes (diseases) in it. Its systems then function properly. It is not necessary to be very athletic to be able to say that one is physically healthy; moreover, the elderly also have a chance to maintain the status of “physically healthy”, because old age is not a disease, although due to the decreasing capacity of all human systems with the aging of the body, it becomes increasingly difficult to maintain full health. It is worth noting, physical fitness also has a positive effect on mental condition. As mentioned earlier - physical fitness is neither a guarantee nor a condition for being healthy, but systematic physical activity definitely facilitates preservation of health<sup>2</sup>. Countless scientific publications describe this relationship, which is worth devoting a separate paragraph to.

**Mental health** - can be divided into two types - emotional health and mental health<sup>3</sup>. An emotionally healthy person can recognize and name emotions. He can also express them in an appropriate manner. He does so in accordance with social rules and norms. Mental health is also associated with maintaining mental balance, and within this is the management of emotions - the ability to deal with stress, tension, anxiety, anger, aggression and other emotions. Mental and emotional health can change over the course of a person’s life, but like physical health - it is also genetically determined. Some people find it easier to fall into a depressed mood or anger.

Mental health is an aspect of a person's life that is also worth taking care of through systematic work on oneself – one's habits and one's weaker sides. Some improvement, on the other hand, of one's emotional functioning can be achieved just by educating oneself about emotions and how to feel them, to which many people remain indifferent. The social environment in which one lives is also very important.

**Mental health** – talks about the correct course of thought processes. It shows the ability to think logically and clearly, but also to remember events and objects as well as solve problems. Mental health is related to the condition of the nervous system, especially the central nervous system. A measure of social health is the ability to participate in group life. It expresses a person's ability to establish, maintain and develop proper relationships with other people or animals. It also determines a person's ability to set boundaries and respect them with others, to solve problems, as well as to precisely define one's role in a community. It should be added that it is not a measure of social health whether a person will find himself in any group, but rather whether he can find himself in any group while maintaining at least basic hygiene of interpersonal relations.

**Spiritual health** – depending on a person's faith, this is the way of expressing one's religious beliefs and practices<sup>4</sup>. It shows how to express a personal set of principles, behaviors and ways to achieve inner peace and balance. There are many ways to achieve spiritual health. Some call spiritual health “inner peace,” and one can relate it to concepts such as “death,” “God,” “life after death,” and evaluate a person's attitude towards them. The mere fact of belonging to a particular religious grouping or lack thereof does not in the least determine an individual's spiritual well-being. The author does not take the position that any existing religion guarantees the preservation of spiritual well-being through the mere fact of being its adherent.

**Prevention** is defined as a set of activities designed to sustain health at the highest possible level reducing the risk of disease<sup>5</sup>. Prevention, in social and individual terms, can be: educational campaigns, immunizations, screening tests, medical consultations and preventive examinations, treatment of the effects of the current disease and reduction of symptoms, elimination of risk factors and lifestyle changes (such as the introduction of more exercise or giving up stimulants). Preventive measures can also include life choices such as reducing exposure to stress by, for example, reducing working hours or changing work patterns as well as, for example, changing to a less polluted residence.

The main factors affecting health are: – biological conditions,

- environmental conditions,
- lifestyle,
- health care.

This simple, but also complete division does not tell what the relationships between these factors are. For example, a person with a poor lifestyle (lack of physical activity, poor diet), but living in good environmental conditions and having good biological conditions, may enjoy better health than a person who takes care of himself, but lives in worse conditions (for example, in the presence of high environmental pollution).

It is important to remember that the concept of well-being is also highly subjective – someone can feel good, but at the same time have diseases that he or she is not even aware of. It is important to distinguish between health and well-being, which by definition is more variable and not directly related to health.

## 2 Disability, and social exclusion

Disability can be defined as the inability to independently ensure a normal individual and social life as a result of congenital or acquired physical or mental impairment. The term has been defined in various ways in science and in law. In the medical model, disability is the long-term condition of the presence of certain limitations in the normal functioning of the human body. These limitations are caused by a decrease in the efficiency of physical, mental or psychological functions. It is also a damage, that is, a loss or defect in a mental, physiological, anatomical structure of the body. This loss can be total or partial, permanent or periodic, congenital or acquired, stabilized or progressive.

People with disabilities often face the inability (or difficulty) to function fully in society as a result of barriers on the part of the environment (social, cultural, legal, political), including architectural barriers. While social constraints (e.g., prejudice, inappropriate attitudes toward people with disabilities) seem to only hinder the functioning of people with disabilities, architectural barriers create insurmountable difficulties. People in wheelchairs cannot get to many places without major problems, there are still many pedestrian crossings that are unsuitable, not to mention cultural and public facilities. A separate issue is the inexperience of non-disabled people in dealing with people with disabilities, often treating them with condescension or excessive servility – most people with mobility disabilities just want to be treated normally in every aspect. Blind people, on the other hand, often have to deal with very different challenges – for example, the lack of sound at pedestrian crossings made by the apparatus present there makes it very difficult to cross the street safely. Also important and relevant is the often awareness of the internal limitations of people with disabilities, such as fear of non-acceptance, or an overly demanding attitude due to a sense of injustice.

It is also worth mentioning the definition of the World Health Organization, which, in addition to disability, also singles out terms such as “impairment” (impairment) and “limitation” (handicap). An impairment is a disorder involving functions that are essentially mental (memory, consciousness) or sensory – internal organs (heart, kidney), head, trunk or limbs. “Handicap” – is the effect of an impairment or disability that limits or prevents the performance of one or more roles that are considered normal, depending on age, gender and sociocultural factors. Handicap, therefore, is an effect of disability and its “symptom,” an effect, and not a completely separate issue unrelated to disability.

One of the organizations involved in systemic assistance to people with disabilities is the State Fund for Rehabilitation of Persons with Disabilities (PFRON). Through the Subsidy and Reimbursement Service System (SODiR),



it pays employers of disabled people monthly salary subsidies to employees with a current disability certificate or equivalent document. The employer submits the relevant forms on paper or electronically through the SODiR application.

Sheltered workshops (ZPChr) and employers from the open labor market receive subsidies in the same amount since April 2014. Subsidy rates change due to the current situation and regulations. The amounts of monthly subsidies to the salaries of disabled employees effective from April 2014 range from PLN 450 to PLN 1950 (per month per employee), depending on the degree of disability. were free of any ailments.

### 3. Work of people with disabilities

Persons with disabilities are sometimes able to work professionally, but in some cases it is necessary to adapt the workplace accordingly. In Poland there are several disability groups, contrary to opinions that sometimes appear, granting a disabled person the so-called “First Disability Group“ which involves obtaining a certificate of “significant disability“ does not mean a ban on work. Whether a disabled person can or cannot work in a particular, specific position is decided each time by an occupational physician as well as, naturally, market realities. Also, the occupational physician decides on the possible working hours of a disabled person and the activities he or she cannot perform. Special rights of employees with disabilities.

The daily working time for persons who are granted a severe or moderate degree of disability is 7 hours, and the weekly working time is up to 35 hours. The occupational physician or the doctor who cares for the disabled person may, but only at the request of the disabled person, give permission for the employer not to apply these regulations. A disabled employee is entitled to an additional 15-minute break, which is added to the statutory fifteen-minute break that all employees working more than six hours a day are entitled to. An employee classified as severely or moderately disabled is entitled to additional leave of 10 working days per calendar year. An employee with a significant or moderate degree of disability is entitled to leave from work with pay in the case of taking a rehabilitation camp (up to 21 days) and in the case of the need for specialized examinations, therapeutic or improvement treatments, as well as for the purpose of obtaining orthopedic supplies or their repair.

#### **Disability certificate**

Persons with disabilities can obtain official, administrative recognition of their disability by applying for a certificate on the degree of disability. Such a document is issued in Poland by district disability assessment teams. The document obtained contains basic information about the cause of the holder’s disability, the degree of disability (severe, moderate or light), indications for rehabilitation, treatment and orthopedic equipment, as well as indications for special rights, such as the right to use the facilities for the disabled contained in the traffic law. A disability certificate is necessary when a disabled person wants to enjoy special rights as an employee. In particular, it is the basis for various subsidies for the cost of hiring disabled employees.

A certificate on the degree of disability issued by a district disability evaluation team is a document that a disabled person uses when he or she wants to enjoy the privileges and entitlements to which he or she is entitled, with the exception of disability benefits and inability to work.

The concept of disability is often confused with the concept of inability to work. Inability to work (rather than disability) is determined by the medical examiners of social security institutions (ZUS and KRUS). Having a certificate of inability to work is one of the conditions for obtaining disability benefits from ZUS or KRUS (e.g., disability pension).

Although it is often the case that a person who has a certificate of inability to work also has a certificate of disability, it is still a condition for obtaining a pension that the former be held. A disability certificate is not required by disability authorities. Having only a disability certificate is not sufficient to obtain a disability pension.

Disability authorities declare partial or total inability to work. A ruling of total inability to work can be combined with a ruling of inability to live independently. The content of the ruling affects the amount of the benefit. It may also entitle to allowances to the benefit (e.g., attendance allowance).

Under the banner of social economy are various organizations and institutions, conducting economic activity, which allocate the profit earned to maximize social benefits, always putting the welfare of the individual or community first. An important function of the social economy is that it works not for profit, but for people. Social enterprises, which make up the social economy sector, function in the market like any other, so it is very important that they cooperate with business. Is it difficult to find common parts and establish a dialogue between business and organizations from the third sector? How to connect the two groups, which have different goals of action - making money and maximizing profit for business versus mission, passion and action for social good, in the case of NGOs.

Below are sample surveys that can be used to gather information to raise awareness about health in the community. The first survey is aimed at employees of social enterprises - social cooperatives and others to assess the approach of staff to spreading health knowledge. The second survey has corresponding questions aimed at finding out the attitude towards health promotion initiatives. We believe that some of the places where health awareness activities can be particularly easy are social enterprises. Due, among other things, to the ease of financing such projects. Private companies sometimes finance various types of workshops for employees, but they have to do so at the expense of their operating profits, these activities can, of course, increase the efficiency of employees, nevertheless it is a kind of expense/investment that does not necessarily pay off. Such dilemmas do not occupy those responsible for financing activities within the social economy - health education is socially beneficial and therefore arguing in favor of it - very easy.

## Survey 1

1. Do you think that your wards could benefit from the implementation of health-promoting programs (educational, related to medical examinations or physical activity) in your social cooperative to which you belong?
  - Yes - No
2. Have you run programs of this type in the past? - Yes, in the last quarter
  - Yes, within the last year
  - Yes, but not within the last year
  - No
  - No, I am not interested in it at all
3. What health program would be of particular interest to you in terms of your charges?
  - Prevention - basic examinations (workshop with a doctor)
  - Movement - physical activity (workshop with a physiotherapist)
  - Nutrition - the role of diet in human health (workshop with a nutritionist)
  - Emergency medical care - first aid precautions (workshop with a paramedic)
  - Other - Something more specific related to the profession: doctor, physiotherapist, nutritionist, lifeguard, psychologist. What exactly.Other - (what?). - None
4. How would you rate your social cooperative's involvement in health promotion programs?
  - Very high
  - Highly
  - Difficult to say/average/don't know - Low
  - Lack of commitment
5. How do you think - where do your residents get their knowledge of Medicine? (You can mark several answers)
  - From friends
  - From the Internet
  - From books and scientific magazines
  - From popular science books and magazines
  - From a general practitioner
  - From a specialist doctor (or other specialist - such as a nutritionist, physiotherapist, psychologist)
  - From developed beliefs
  - other (what?).
6. In your opinion, would wards be willing to pay extra for health promotion programs?
  - Yes, very willingly, even to programs not directed to their personal needs - in a solidarity way
  - Yes, but only if they touched their personal needs - Yes, but only symbolic amounts
  - No, they are not willing at all
7. Do you know of any health-promoting programs organized in recent years by public or local government institutions, or have you participated in organizing them?
  - Yes, I know and participated
  - Yes, I know but have not participated
  - No, I do not know and have not participated

## Survey 2

1. have you benefited from any health promotion programs (educational, medical checkups or physical activity) conducted by the social cooperative to which you belong in the last two years?

Yes/No (if yes, please skip to the second question, if no - to the third)

2. Were you satisfied with the results of this program(s). - Yes, very

- Yes, sufficiently

- Difficult to evaluate/don't have an opinion - No, not very

- No, I was/am not satisfied at all

3. What health program would you be particularly interested in?

- Prevention - basic examinations (workshop with a doctor)

- Movement - physical activity (workshop with a physiotherapist)

- Nutrition - the role of diet in human health (workshop with a nutritionist)

- Emergency medical care - first aid precautions (workshop with a paramedic)

- Other - Something more specific related to the profession: doctor, physiotherapist, nutritionist, lifeguard, psychologist. What exactly.

Other - (what?).

4. How would you rate your social cooperative's involvement in health promotion programs?

- Very high

- Highly

- Difficult to say/average/don't know - Low

- Lack of commitment

5. Where do you get your knowledge about health and medicine? (You can mark several answers)

- From friends

- From the Internet

- From scientific books and magazines

- From popular science books and magazines

- From a general practitioner

- From a specialist doctor (or other specialist - such as a nutritionist, physiotherapist, psychologist)

- From developed beliefs - other (what?).

6. How strongly do you rely on your sources? Please additionally underline one of the above in question five.

- Very strongly

- Strongly

- It depends

- Not very strongly I rely on

7. Are you willing to pay extra for health promotion programs?

- Yes, very willing, even to programs not directed to my personal needs - Yes, but only if they would touch my personal needs

- Yes, but only token amounts

- No, I am not willing at all

8. Do you know of any health-promoting programs organized in recent years by public or local government institutions, have you participated in them.

- Yes, I know and have participated

- Yes, I know but have not participated

- No, I do not know and have not participated

9. What health-promoting activities do you undertake? (You can mark several answers)

- I regularly get examined according to my doctor's recommendations/guidelines of major medical organizations

- I get examined regularly according to my personal beliefs

- I undertake physical activity 3-5 times a week for at least 30-60 minutes or more

- I undertake physical activity 1-2 times a week for at least 30-60 minutes

- I undertake physical activity at other time intervals (what kind?...)

- I make sure I take my medications properly

- keep an eye on proper nutrition according to the recommendations of a nutritionist/big medical organization

- I watch over proper nutrition according to my own beliefs

- I am very diligent about getting the right amount of sleep and its regularity

10. Do you suffer from any ailment (not only pain), such as low energy, desire to live and undertake activities.

- Yes, major ailments - Yes, minor ailments - No

The surveys have already been conducted by a team of appropriately trained people from the Sophie Zamenhof Foundation. They took place in September 2022 in the Mazovian province in the towns of Drobin and Miroslaw near Plock.

#### **4. Conclusions of the study “Health habits and beliefs of the charges of the social cooperative CUS Drobin Environmental Services Center“.**

The survey showed that employees of the CUS Drobin cooperative unequivocally believe that their charges could benefit from the cooperative's health-promoting programs. In their opinion, their charges could be particularly interested in programs on prevention, sustaining physical activity and maintaining a proper diet. This proved to be largely the right discernment.

Indeed, after surveying the audience, it turned out that classes related to proper nutrition would be of greatest interest - this answer was chosen by the largest number of respondents. Activities to keep fit, workshops with a paramedic and other more specific workshops would also prove popular. In contrast to the feelings of the cooperative's employees, only one person cited prevention classes as a health program of particular interest.

The current level of involvement in health-oriented activities implemented by CUS was highly rated by both cooperative employees and participants. More than 53% of employees rated it as very high, while 40% rated it as high. Only 6.7% of respondents were unable to rate.

In the case of participants, the results indicated 65% as very high, 23% as high level of involvement, and 11.5% of surveyed participants could not make an assessment. The surveyed CUS participants are also overwhelmingly satisfied(42%) or very satisfied (50%) with their participation in past health promotion activities. Only 8% of respondents were unable to determine the level of satisfaction.

The survey also showed that CUS staff's feelings about the information from where their charges get their medical knowledge are partially correct. Pointing to friends (54% of the CUS participants surveyed) and the Internet (39% of the participants' indications) was in agreement, while the more popular answer than the participants' own beliefs (the third result among the employees' choices) was information from a general practitioner, chosen by 39% of people. Among the answers, participants also pointed to specialist doctors (31%), books (12%), and their own beliefs were selected by only 8% of respondents. At the same time, it should be noted that the question was multiple-choice, so that the number of answers does not add up to 100%. When answering about the sources of their beliefs, respondents also indicated that they rely on their sources very much in 31% of the survey, 50% very much, while 19% were unable to determine this level. In one of the next questions, employees were asked about the propensity of their charges to subsidize health programs. Here, there was a belief among just over half (53%) that their charges were not willing to pay a surcharge at all. 13% indicated the possibility of paying, but small amounts, 27% only for programs strictly concerning them, while 7% would be willing to subsidize all health-promoting programs, even if they do not meet their personal needs.

Survey 2, as part of a follow-up question, showed that equally half of the participants are not interested in such surcharges at all, which is quite consistent with the beliefs of the cooperative's employees. 19% of participants declare the possibility of paying a small cost, also 19% declare the possibility of such a payment when the programs affect them directly, while 12% are able to pay, even when the offer implemented is not strictly directed to them.

In the next question, CUS Drobin's residents indicated that the most common health-promoting activities they undertook were: making sure to take their medications properly (65% of respondents), conducting examinations in accordance with doctor's recommendations/guidelines of major medical organizations (50%), and watching over proper nutrition according to their own beliefs (43%). Among the less frequently indicated responses were: watching one's diet as recommended by a dietician (35%), watching one's sleep adequately (31%), researching according to one's beliefs (19%) and engaging in physical activity, which for both activity 1-2 times a week and 3-5 times a week was selected by 12% of respondents. This question, also, was a multiple-choice question, which affects the inability of the answers to add up to 100%.

In both the group of CUS participants and employees, other health-promoting programs offered by other local or government organizations are known to the vast majority (73% of employees are familiar with such and 64% of participants). However, it is the group of participants in cooperative activities that is also more active in the field of participation in other organizations' health-promoting programs, 40% of participants indicated, compared to 27% of employees. Valuable information, and at the same time one of the reasons for this may be the answer to the last of the questions posed to the participants - namely, the presence of any health complaints along with a decrease in energy, or the desire to engage in activity. Half of the respondents indicated having minor ailments, while 35% indicated having major, serious ailments. Only 15% of respondents were free of any ailments.

# VII. Technicalities of running social enterprise

**Authors - Zbigniew Dąbrowski, Barbara Makarewicz  
The Zofia Zamenhof Foundation Poland**

The handbook was created in cooperation with organizations from Poland, Greece, Italy and Portugal as part of cooperation funded by the Erasmus+ program in the adult education sector. It is the first result of the project and aims to promote knowledge and useful skills related to the operation and management of social cooperatives. In this chapter, we would like to present you some practical elements related to establishing and running social cooperatives.

## 1. Research techniques

We'll start by justifying how we know the information we've collected is useful, and what we've based our conclusions and suggestions on. During the development of the handbook, various methods of information and data collection were used:

**A. Social Research:** Social research involves the systematic investigation of various aspects of human behavior, social interactions, and societies as a whole. It aims to understand social phenomena, patterns, and relationships by collecting and analyzing data from individuals or groups. Social research can be qualitative or quantitative in nature, or a combination of both. Here are the main steps involved in social research:

- **Research Design:** This involves defining the research objectives, selecting a research methodology (such as surveys, interviews, observations, experiments), and deciding on the scope of the study.
- **Data Collection:** Researchers gather data through methods like surveys, interviews, observations, and experiments. They may use structured or unstructured questions, depending on the research goals.
- **Data Analysis:** After collecting data, researchers use various techniques to analyze it. Quantitative research often involves statistical analysis, while qualitative research focuses on identifying themes, patterns, and meanings in textual or visual data.
- **Interpretation:** Researchers interpret the findings in light of the research objectives. They draw conclusions and make connections between the data and the research questions.
- **Reporting:** The results are typically presented in research papers, reports, or presentations. Clear communication of findings is important for sharing insights and contributing to the field.

For the needs of the project, professional qualitative research was commissioned among the functioning social cooperatives. We used the research results to develop a set of good proactive practices for people who want to set up their own social cooperative, but we also identified the most common problems these organizations face. The full research report can be found on the project website: [www.socenter.eu](http://www.socenter.eu). In it you will find a description of the formation of social cooperatives in Poland, a report on the course of their activity, as well as an analysis of the most popular problems. As a summary, researchers Julia Niewiada and Kazimierz Czartoryski prepared a set of good practices that, in their opinion, can facilitate operation in the social entrepreneurship sector.

**B. Exchange of Good Practices:** Exchange of good practices involves sharing successful methods, approaches, and strategies that have been proven effective in a specific context. This technique is often used in fields such as education, healthcare, business management, and public administration. Here's how it works:

- **Identification:** Organizations or individuals identify practices that have led to positive outcomes in their field. These practices can be related to processes, policies, technologies, or methodologies.
- **Documentation:** The successful practices are documented in detail, outlining the steps, rationale, and evidence of their effectiveness.
- **Sharing:** Organizations and individuals share their documented good practices with others through conferences, workshops, publications, online platforms, and networking events.
- **Adaptation:** Recipients of the shared practices assess whether the practices can be adapted to their own context. They may need to make modifications based on their unique needs and constraints.
- **Implementation:** If deemed suitable, the adapted practices are implemented in the new context. Monitoring and evaluation help determine their success.

Good practices have been developed as part of the framework above and are included throughout the handbook. In addition, their detailed description can be found in the research results on the website. Thanks to diverse sources of information (social research, own experience, exchange of observations between partners), we have developed a universal set of valuable and accurate comments and tips for people interested in social entrepreneurship. For direct comments and observations from people working or operating within social cooperatives, we invite you to read the third chapter of this handbook entitled "Social Cooperative CUS as an example of success in the Social Economy in Poland", which was written by Aleksandra Pęcharzewska and Michał Gołębiewski.

**C. Review of the Literature on the Subject:** A literature review is a critical analysis and synthesis of existing research and scholarly works related to a specific topic. It involves examining a range of sources, such as academic papers, books, articles, and reports. Here's how to conduct a literature review:

- **Topic Definition:** Clearly define the research question or topic you want to explore



through the literature review.

- **Search and Selection:** Search relevant databases and sources to identify literature related to the topic. Select sources that are authoritative, recent, and relevant.
- **Analysis:** Read and evaluate each source to understand its methodology, findings, and contributions to the topic. Identify trends, gaps, and contradictions in the literature.
- **Synthesis:** Organize the information by themes, theories, or methodologies. Compare and contrast different sources to develop a coherent narrative of the topic's current state of knowledge.
- **Identify Gaps:** Based on the analysis, identify gaps in the existing literature that your research could address.
- **Citation and Attribution:** Properly attribute ideas and findings to their original sources through citations.
- **Report Writing:** Integrate the findings of the literature review into your research paper, thesis, or report. Clearly explain how the existing literature informs your research.

The references contained in the individual chapters were used not only to develop the content of the handbook, but also to identify the most important elements that were necessary to address in order to present a complete picture of the situation of social cooperatives and running a social enterprise.

Each of these research techniques plays a crucial role in advancing knowledge and understanding in various fields. They help researchers gather insights, learn from others' experiences, and build upon existing work.

## 2. SWOT analysis techniques

Furthermore, we presented SWOT analysis as a technique to determine appropriate and crucial elements to the subject of running a social enterprise. SWOT analysis is a pivotal technique in developing pertinent materials for social enterprises. By assessing Strengths, Weaknesses, Opportunities, and Threats, SWOT analysis provides a structured framework to comprehensively understand an enterprise's internal and external landscape. In the context of social enterprises, this method aids in crafting tailored strategies.

Identifying strengths allows organizations to leverage their unique capabilities, while acknowledging weaknesses prompts targeted improvement efforts. Exploring opportunities unveils potential avenues for growth, while recognizing threats helps to proactively mitigate risks. Through SWOT analysis, social enterprises can align their mission with market realities, refine messaging for various stakeholders, and fine-tune operational plans.

Furthermore, SWOT analysis serves as a foundation for informed decision-making, resource allocation, and goal setting. It encourages holistic thinking and fosters collaboration among team members. In the dynamic realm of social enterprises,

SWOT analysis is an indispensable tool for creating materials that resonate, adapt, and contribute meaningfully to their social missions.

Here are some useful tips to help you plan a relevant and valuable SWOT analysis for your social cooperative:

- Gain a clear understanding of the subject being examined;
- Maintain a realistic perspective on your organization;
- Use precise language and steer clear of vague areas;
- Prioritize brevity and simplicity; steer clear of unnecessary complexity and overthinking;
- Keep in mind that SWOT is a subjective tool; utilize it as a guiding reference, not a rigid prescription.

If you still don't know how to start a SWOT analysis, you can use some examples and questions prepared by our team:

<p><b>Some diagnostic questions for potential Strengths:</b></p> <ul style="list-style-type: none"> <li>• In which areas does the co-op excel (sales, marketing, operations, management)</li> <li>• What assets does the co-op possess?</li> <li>• What are its fundamental proficiencies?</li> <li>• Where does revenue generation occur?</li> <li>• What is the co-op's historical expertise?</li> </ul>	<p><b>Examples of Strengths:</b></p> <ul style="list-style-type: none"> <li>• Novel, inventive product or service</li> <li>• Specialized marketing expertise</li> <li>• Geographic positioning</li> <li>• High-standard processes and protocols</li> <li>• Any other co-op element enhancing member value</li> </ul>
<p><b>Some diagnostic questions for potential Weaknesses:</b></p> <ul style="list-style-type: none"> <li>• What areas require improvement (customer service, marketing, accounting, planning)?</li> <li>• In what areas are resources insufficient?</li> <li>• How can the co-op enhance its performance?</li> <li>• Where is revenue being depleted?</li> </ul>	<p><b>Examples of Weaknesses:</b></p> <ul style="list-style-type: none"> <li>• Insufficient grasp of marketing strategies</li> <li>• Products or services lacking distinctiveness (compared to competitors)</li> <li>• Geographic placement</li> <li>• Substandard quality of goods or services</li> <li>• Tarnished reputation</li> </ul>

<p><b>Some diagnostic questions for potential Opportunities:</b></p> <ul style="list-style-type: none"> <li>• How could the co-op address new member requirements?</li> <li>• Do favorable economic patterns exist?</li> <li>• What are the nascent political and social openings?</li> <li>• Have there been any noteworthy technological advancements</li> <li>• Have competitors overlooked any niche markets?</li> </ul>	<p><b>Examples of Opportunities:</b></p> <ul style="list-style-type: none"> <li>• An evolving market, such as the digital realm.</li> <li>• Consolidations, collaborative ventures, or strategic partnerships</li> <li>• Expansion into novel market sectors promising enhanced profitability</li> <li>• Fresh opportunities in global markets</li> <li>• A market left by an ineffective rival</li> </ul>
<p><b>Some diagnostic questions for potential Threats:</b></p> <ul style="list-style-type: none"> <li>• What adverse economic patterns are evident?</li> <li>• What unfavorable political and societal tendencies prevail?</li> <li>• Where are competitors poised to strike?</li> <li>• In which areas is the cooperative susceptible?</li> </ul>	<p><b>Examples of Threats:</b></p> <ul style="list-style-type: none"> <li>• Emerging rival in your primary market</li> <li>• Escalating price conflicts with competitors</li> <li>• Competitor introduces a novel, inventive product or service</li> <li>• Rivals possess enhanced entry to distribution channels</li> <li>• Introduction of taxation on your product or service</li> </ul>

### 3. Market analysis and marketing

Market analysis and marketing strategies play a pivotal role in facilitating the growth and effective functioning of social cooperatives. These tools empower social cooperatives to align their mission-driven endeavors with market demands, thereby enhancing their impact and sustainability.

Market analysis involves a comprehensive assessment of the market landscape, including consumer behaviors, trends, and competitors. For social cooperatives, understanding the needs and preferences of their target audience is paramount. Through market research, cooperatives can identify unmet needs that align with their social mission, allowing them to design products or services that create genuine value. This not only attracts customers but also amplifies the cooperative's social impact.

Strategic marketing then helps in communicating this value to the target audience. By creating compelling narratives and highlighting the cooperative's unique strengths, marketing efforts can enhance brand visibility and attract supporters. Social cooperatives can leverage digital platforms, storytelling, and engagement campaigns to foster a loyal community around their cause.

Moreover, marketing facilitates resource generation. Increased visibility often attracts funding, partnerships, and volunteers, bolstering the cooperative's capacity to achieve its social goals. Effective marketing strategies also enable cooperatives to diversify their revenue streams, reducing dependence on a single source.

In the face of challenges, such as limited resources or competition, market analysis and marketing provide insights to pivot strategies, refine offerings, and remain relevant. Regular analysis of market trends enables cooperatives to adapt swiftly to changes and capitalize on emerging opportunities.

In essence, the synergy between market analysis and marketing empowers social cooperatives to grow sustainably and make a substantial impact on their communities. By embracing these tools, cooperatives can foster a stronger connection with their beneficiaries, expand their reach, and contribute meaningfully to societal well-being while ensuring their own longevity.

An opportunity gaining popularity in an increasingly technologically developed world is the use of social media in marketing. Social cooperatives can also take advantage of its potential! If you want to learn more about the contribution of social platforms to social entrepreneurship and get some practical tips on how you can benefit from the experience of other activists, we invite you to read the following articles:

- Social Media for Co-ops: The Ultimate Beginner's Guide: <https://www.webfx.com/industries/franchises/co-ops/social-media/>
- Co-op Marketing Partnerships: Benefits, Challenges and Tips: <https://www.indeed.com/career-advice/career-development/marketing-co-op>

## 4. Advertising

Advertising can play a significant role in helping social cooperatives by increasing their visibility, fostering support, and driving engagement. Here's how advertising can benefit social cooperatives:

- **Increased Visibility:** Advertising helps social cooperatives reach a wider audience, ensuring that their mission and initiatives are seen by more people. This visibility is crucial for raising awareness about the cooperative's social goals and the impact they aim to create.
- **Attracting Support:** Effective advertising campaigns can attract supporters, donors, volunteers, and partners who resonate with the cooperative's mission. By showcasing their social impact and the positive change they bring to communities, social cooperatives can inspire individuals and organizations to get involved.

- **Raising Funds:** Advertising can help social cooperatives generate funds for their projects and initiatives. Well-designed campaigns can encourage people to donate, invest, or participate in fundraising efforts, enabling the cooperative to sustain and expand its activities.
- **Building Brand Identity:** Advertising allows social cooperatives to establish a strong brand identity. Consistent messaging, visuals, and storytelling help create a memorable and relatable image that resonates with their target audience.
- **Educating the Public:** Advertising is a powerful tool for educating the public about social issues, the cooperative's mission, and the challenges they address. By providing insights into the cooperative's work, advertising can help dispel misconceptions and foster a deeper understanding.
- **Creating Advocates:** Engaging advertisements can turn supporters into advocates who passionately promote the cooperative's cause. These advocates can spread the word, share content on social media, and encourage others to support the cooperative's efforts.
- **Community Engagement:** Advertising can promote events, workshops, and initiatives organized by the cooperative, facilitating community engagement and interaction. This interaction helps build a sense of community around the cooperative's mission.
- **Demonstrating Impact:** Through advertising, social cooperatives can showcase real-life stories and examples of the impact they've made. This tangible evidence can inspire trust and confidence in potential supporters and beneficiaries.
- **Influencing Policy and Change:** Advertising can draw attention to systemic issues that social cooperatives are working to address. By highlighting these issues, cooperatives can advocate for policy changes and social improvements.
- **Long-Term Sustainability:** Effective advertising can contribute to the long-term sustainability of social cooperatives. Increased visibility and support can lead to a stable donor and customer base, which in turn helps the cooperative achieve its social goals more effectively.

In essence, advertising serves as a bridge between a social cooperative's mission and the wider world. Through strategic and impactful advertising, social cooperatives can amplify their message, mobilize support, and ultimately create a larger positive impact on society.

Social cooperatives can effectively promote themselves by embracing a multifaceted approach that communicates their mission, impact, and values. Leveraging digital platforms, they can harness the power of social media to share success stories, testimonials, and visual content that showcase their social contributions. A compelling, user-friendly website can serve as a central hub for information, featuring engaging narratives about the cooperative's goals, beneficiaries, and initiatives.

Collaboration with local media outlets and community influencers can amplify their message and reach. Hosting workshops, webinars, or seminars on relevant topics not only positions them as thought leaders but also offers a space for networking and relationship-building.

Engaging in cause-related marketing or partnering with like-minded businesses can further extend their reach and enhance credibility.

Public events, fundraisers, and volunteer opportunities provide tangible experiences for supporters to engage directly with the cooperative's work. Crafting a consistent visual identity and tagline helps in building recognition and recall. By actively sharing updates, soliciting feedback, and responding promptly to inquiries, social cooperatives can foster a sense of belonging and transparency. Ultimately, a strategic and authentic approach to self-promotion can help social cooperatives expand their reach, attract supporters, and fulfill their social missions effectively.

If you are still wondering what way of promoting your cooperative would be the most intuitive for you, think about what social cooperatives you know and what you associate them with? How did you come across them? What about their advertising caught your attention?

## 5. Legislation and Human Resources

Running a social cooperative successfully requires a strong foundation built upon two critical pillars: legislation and human resources. Both elements play a vital role in shaping the cooperative's operations, impact, and sustainability.

### A. Legislation:

Legislation provides the framework within which social cooperatives operate. Legal recognition and support are essential for their legitimacy and ability to fulfill their social mission. Legal status ensures access to resources, funding, and protection. Special regulations for social cooperatives often define their structure, purpose, and benefits. This legal framework fosters transparency, accountability, and responsible governance.

Legislation also affects market access, taxation, and partnerships. Favorable legal provisions can create an enabling environment for social cooperatives to thrive. Conversely, inadequate or unclear regulations can hinder their growth and hinder their ability to make a meaningful impact.

### B. Human Resources:

Human resources are the heart of any organization, and social cooperatives are no exception. The success of a social cooperative hinges on the passion, skills, and dedication of its members. Human resources management involves recruitment, training, and creating an inclusive and collaborative work environment.

In social cooperatives, human resources also encompass the beneficiaries and the communities they serve. Empowering beneficiaries through skill development and involvement fosters a sense of ownership and amplifies the cooperative's impact. Effective communication and collaboration build a strong bond between the cooperative, its members, and its beneficiaries.

We encourage you to visit the website :

<https://guides.himmelfarb.gwu.edu/teamdynamics/fostering-communication> where you will find useful tips related to effective communication in your team. Social cooperatives are people-based and created to meet their needs, and there's no better way to get to know each other than by conversation. That is why it is worth learning the tricks and methods of getting along in groups, also in the work environment.

Moreover, human resources management involves nurturing leadership, fostering innovation, and ensuring continuous learning. A well-trained and motivated team enhances the cooperative's efficiency, adaptability, and ability to respond to evolving social needs.

In conclusion, the role of legislation and human resources in running a social cooperative cannot be overstated. Legislation provides the legal framework and recognition necessary for the cooperative's existence, while human resources are the driving force behind its operations and social impact. A harmonious synergy between legal compliance and a skilled, motivated team sets the stage for a thriving social cooperative that makes a significant difference in its community and beyond.

## 6. Information and Communication Technologies

Information and Communication Technologies (ICT) have brought about a transformative wave across industries, and their impact on social enterprises has been particularly profound. These technologies play a pivotal role in enhancing the effectiveness, reach, and sustainability of social enterprises, allowing them to create more significant and lasting social impact.

One of the key ways ICT impacts social enterprises is by expanding their outreach. Through digital platforms and social media, these enterprises can engage with a global audience, share their mission, and raise awareness about critical social issues. This increased visibility attracts supporters, volunteers, and potential partners, amplifying their reach and influence.

Moreover, ICT facilitates efficient data collection, analysis, and management, enabling social enterprises to make informed decisions. Advanced data analytics help identify trends, assess impact, and allocate resources effectively. This leads to evidence-based strategies, improved program designs, and better outcomes for beneficiaries.

Communication is another area where ICT shines. Real-time communication tools, such as video conferencing and instant messaging, enable social enterprises to collaborate with stakeholders across borders. This is particularly relevant for enterprises working on international projects or partnerships. Communication technologies also streamline interactions with beneficiaries, ensuring their needs are addressed promptly and effectively.

Digital fundraising has also been revolutionized by ICT. Online crowdfunding platforms enable social enterprises to access a broader pool of potential donors and investors. This democratization of funding sources reduces dependency on a few large donors and increases financial resilience.

The automation and optimization capabilities of ICT enhance operational efficiency. Administrative tasks can be automated, allowing social entrepreneurs to focus more on their core mission. Supply chain management, resource allocation, and project monitoring become streamlined and data-driven, leading to cost savings and better resource utilization.

However, challenges like the digital divide and data privacy must be navigated. Ensuring equitable access to ICT tools is essential to prevent leaving marginalized communities behind. Additionally, robust cybersecurity measures are crucial to protect sensitive beneficiary data.

In conclusion, ICT has revolutionized the way social enterprises operate and achieve their objectives. By harnessing the power of digital tools, social enterprises can expand their influence, gather data-driven insights, improve communication, and optimize operations. As technology continues to evolve, its potential to catalyze positive social change through social enterprises remains boundless.

## 7. Business development strategies

Business development strategies are paramount for the success and sustainability of social cooperatives, as they enable these organizations to maximize their impact while maintaining financial viability. These strategies encompass a range of activities aimed at expanding their reach, diversifying revenue sources, and enhancing their operational efficiency.

Effective business development strategies help social cooperatives identify and seize new opportunities for growth. They enable cooperatives to assess their strengths, weaknesses, and the external environment to align their activities with market demand. By cultivating a deeper understanding of their beneficiaries' needs and preferences, cooperatives can tailor their products or services to ensure relevance and resonance.

Furthermore, business development strategies foster innovation within social cooperatives. They encourage the exploration of creative solutions to societal challenges, enabling cooperatives to develop new programs, products, or service models that address emerging needs. Innovation not only enhances the cooperative's social impact but can also differentiate it in a competitive landscape.

Diversification of revenue sources is another vital aspect of business development. Relying on a single funding stream can make social cooperatives vulnerable to financial instability. By exploring various funding models, such as social investments, grants, donations, and earned income, cooperatives can build resilience and reduce dependency on a specific source.



Unfortunately, the lack of robust business development strategies remains a significant challenge for many social cooperatives. Some cooperatives struggle to adapt to changing market dynamics, resulting in limited growth and impact. The absence of strategic planning and a business-oriented mindset can hinder their ability to attract funding, develop partnerships, and effectively manage resources.

In today's complex landscape, where societal issues are multifaceted and resources are limited, social cooperatives must bridge the gap in their business development efforts. By embracing strategic thinking, conducting thorough market research, fostering innovation, and adopting sustainable revenue models, social cooperatives can overcome challenges and seize opportunities for growth. Equipping social cooperatives with the skills and resources to develop sound business strategies is essential to ensure their ability to create lasting social change.

Planning effective business development strategies for social cooperatives involves a strategic approach that aligns their mission with sustainable growth. Here's a step-by-step guide:

- **Mission and Values Alignment:** Start by revisiting and reaffirming the cooperative's mission and core values. Ensure that all business development strategies are in line with these principles.
- **SWOT Analysis:** Conduct a thorough SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis to identify internal strengths and weaknesses, as well as external opportunities and threats. This forms the basis for strategy formulation.
- **Set Clear Goals:** Define specific, measurable, achievable, relevant, and time-bound (SMART) goals. These should reflect both the cooperative's social impact and business growth objectives.
- **Segmentation and Targeting:** Identify specific target audiences for your cooperative's services or products. Tailor your strategies to meet the needs and preferences of these segments.
- **Value Proposition:** Clearly articulate how your cooperative's offerings solve problems or fulfill needs for your target audience. Highlight the unique social value you provide.
- **Partnerships and Collaborations:** Identify potential partners, both within the social sector and the business world. Collaborations can expand resources, reach, and expertise.
- **Diversification:** Explore opportunities to diversify revenue streams while staying true to your mission. This might involve expanding product/service offerings or entering new markets.
- **Marketing and Branding:** Develop a compelling brand identity that communicates your cooperative's values and offerings. Craft a marketing strategy that uses storytelling to connect with your audience emotionally.
- **Community Engagement:** Engage with your community through events, workshops, and social media. Foster relationships and gather feedback to refine your strategies.
- **Monitoring and Adaptation:** Regularly assess the effectiveness of your strategies. Monitor key performance indicators (KPIs) related to both social impact and business growth. Adjust your strategies based on data and feedback.

- **Financial Sustainability:** Balance social impact with financial sustainability. Develop a clear financial plan that supports your cooperative's growth and long-term viability.
- **Capacity Building:** Invest in training and development to empower your team and ensure they have the skills needed to execute your business development strategies effectively.
- **Long-Term Vision:** Keep your cooperative's long-term vision in mind. While pursuing growth, stay committed to your social mission and adapt your strategies as the cooperative evolves.

## 8. Problems with financing

Social cooperatives often face challenges with financing due to several reasons:

- **Limited Access to Capital:** Social cooperatives may have difficulty accessing traditional financing sources like banks due to their unique structure and social objectives. This limits their ability to secure necessary funds for operations and growth.
- **Lack of Awareness:** Many potential funders and investors might not fully understand the concept and impact of social cooperatives, making it harder to secure financial support.
- **Unpredictable Revenue Streams:** Social cooperatives often work on projects that have uncertain revenue potential. This unpredictability can deter traditional investors who seek consistent returns.
- **Social Impact Measurement:** Demonstrating social impact in tangible terms is challenging, making it difficult for potential investors to gauge the return on their investment.
- **Competition for Limited Resources:** Resources in the social sector are finite, and social cooperatives compete with other organizations for funding, grants, and donations.
- **Complex Regulatory Environment:** Different countries have varied legal frameworks for cooperatives, which can create confusion and hinder access to funding.
- **Lack of Business Skills:** Social entrepreneurs may have strong social missions but lack the business acumen to create sustainable revenue models, making it hard to attract investors.
- **Dependency on Grants:** Social cooperatives often heavily rely on grants and donations, which might not be consistent or sufficient for long-term growth.
- **Risk Perception:** Investors and donors might perceive social ventures as riskier than traditional for-profit businesses, impacting their willingness to invest.
- **Mismatched Expectations:** Social cooperatives and investors might have differing expectations regarding financial returns, making it hard to find compatible partners.

Addressing these challenges requires a combination of education, advocacy, strategic planning, and innovative financing models that align with the unique structure and goals of social cooperatives.

Resolving financing challenges within social cooperatives demands a multi-pronged strategy. Limited access to capital, often stemming from their unique structure and social objectives, inhibits traditional financing avenues like banks. A critical step is raising awareness among potential funders and investors who might not fully grasp the concept and impact of social cooperatives. The unpredictable revenue streams inherent in social projects can deter traditional investors seeking consistent returns. Addressing this requires crafting tailored strategies that balance social missions with financial stability. Demonstrating tangible social impact is complex but pivotal for attracting potential investors who seek measurable returns on their investments. Moreover, as resources within the social sector are finite, social cooperatives must creatively stand out in a competitive field to secure funding, grants, and donations.

Navigating the complex regulatory environment surrounding cooperatives across various countries is essential. Creating streamlined legal frameworks could offer more straightforward access to funding opportunities. Enhancing business skills within social cooperatives is crucial to building sustainable revenue models, as investors are drawn to ventures that demonstrate sound financial planning alongside their social missions. Reducing dependency on grants and donations necessitates exploring diversified revenue streams that ensure consistent growth in the long run. Overcoming the perceived higher risk associated with social ventures involves presenting robust business plans and quantifiable social returns, reassuring potential backers. Ultimately, aligning expectations between social cooperatives and investors through clear communication fosters partnerships that are both rewarding and impactful.

## 9. Customer service, Communication and Cooperation with Relevant Stakeholders

Running a successful social cooperative hinges on effective customer service, communication, and collaboration with relevant stakeholders. These elements are the cornerstones that enable a cooperative to fulfill its social mission, build a strong community, and achieve lasting impact.

### A. Customer Service:

Customer service is not only relevant in the realm of for-profit businesses but also holds immense importance for social cooperatives. Beneficiaries, clients, and partners are at the heart of a cooperative's operations. Providing exceptional customer service ensures that the needs and expectations of these stakeholders are met. Addressing concerns, actively listening to feedback, and tailoring solutions demonstrate the cooperative's commitment to creating positive experiences and delivering tangible value.

### B. Communication:

Clear and effective communication is paramount for a social cooperative's success. It is the conduit through which the cooperative shares its mission, goals, and impact with the public. Transparent communication fosters trust and authenticity, resonating with potential supporters and beneficiaries. Engaging storytelling, informative content, and

regular updates through various channels—such as social media, newsletters, and events—help amplify the cooperative’s voice and deepen its connections.

### **C. Cooperation with Relevant Stakeholders:**

Collaboration lies at the heart of social cooperatives. By engaging with stakeholders such as local communities, government agencies, non-profits, and businesses, cooperatives can leverage diverse perspectives and resources. Collaborative efforts can lead to synergistic solutions that address complex social challenges more effectively. Establishing partnerships enhances the cooperative’s reach, knowledge base, and potential for creating sustainable change.

Moreover, cooperation with stakeholders helps social cooperatives access crucial resources, such as funding, expertise, and networks. When stakeholders feel like valued partners, they are more likely to contribute actively, whether through financial support, in-kind donations, or volunteer efforts.

In conclusion, customer service, communication, and cooperation with stakeholders are fundamental pillars for running a social cooperative. By prioritizing the needs of beneficiaries, fostering open communication, and forging partnerships, cooperatives can amplify their impact, cultivate a loyal community, and create meaningful change in the lives of those they serve. These elements not only enable effective operations but also define the cooperative’s role as a catalyst for positive social transformation.

## **10. Import and export issues**

Import and export issues are significant considerations for social enterprises operating on a global scale. While social enterprises aim to balance their social mission with sustainable business practices, navigating international trade presents unique challenges and opportunities.

### **A. Import Issues:**

- **Ethical Sourcing:** Social enterprises often prioritize ethical sourcing of materials and products. Ensuring that imports align with their values can be challenging, as it requires thorough supply chain scrutiny to avoid products linked to labor exploitation or environmental harm.
- **Costs and Tariffs:** Importing goods can incur various costs, including tariffs, taxes, and shipping fees. These financial burdens can impact the cooperative’s budget and the affordability of products for customers.
- **Customs and Regulations:** Adhering to the customs regulations and trade laws of different countries requires comprehensive understanding and documentation. Failure to comply can lead to delays, fines, or confiscation of goods.
- **Cultural Sensitivity:** Different cultures have distinct preferences and sensitivities. Ensuring that imported products align with local customs and values is essential to avoid misunderstandings or offense.

Social cooperatives grappling with import challenges can adopt strategic approaches to alleviate these issues. Exploring local sourcing and production alternatives can reduce dependence on imports. Collaborations with local producers or suppliers can foster mutually beneficial relationships while supporting the community. Additionally, negotiating bulk purchasing arrangements or forming cooperatives with other entities can enhance bargaining power and streamline import processes. Investing in supply chain optimization, such as efficient logistics and inventory management, can minimize delays and cost inefficiencies. Lastly, engaging with relevant government bodies for policy support or seeking grants to develop local industries can further mitigate import-related hurdles, ensuring sustained cooperative growth.

## **B. Export Issues:**

- **Market Research:** Expanding to international markets requires extensive market research to understand consumer preferences, competition, and demand. Adapting products to suit local tastes is crucial for success.
- **Logistics and Distribution:** Efficient logistics and distribution networks are essential for exporting products timely and cost-effectively. Navigating complex shipping routes, customs procedures, and regulations can be daunting.
- **Quality Assurance:** Maintaining consistent product quality across borders is crucial for retaining customer trust. Long distances and varying environments can pose challenges to quality control.
- **Currencies and Exchange Rates:** Fluctuating exchange rates can impact pricing and profit margins for exported products. Cooperatives need to devise strategies to manage currency risks effectively.
- **Legal and Regulatory Compliance:** Exporting requires adherence to export regulations, labeling requirements, and standards specific to the destination country. Non-compliance can result in penalties or the inability to access certain markets.

Social cooperatives facing export challenges can adopt strategic measures to overcome these obstacles. First, conducting market research to identify viable export destinations and consumer preferences is essential. Collaborating with trade associations or export agencies can provide valuable guidance and resources. Developing strong distribution networks through partnerships or online platforms can facilitate market entry. Adapting products to meet international standards and regulations ensures compliance. Investing in marketing and branding tailored to target markets enhances visibility and appeal. Lastly, seeking government support for export promotion programs or participating in trade fairs can provide exposure and networking opportunities, ultimately driving successful export endeavors.

Despite these challenges, import and export endeavors can open up new revenue streams, foster cross-cultural collaborations, and raise global awareness of the cooperative's social mission. Mitigating issues requires strategic planning, collaboration with experts, and a commitment to ethical and responsible trade practices. By embracing these complexities, social enterprises can extend their impact beyond national borders while upholding their values and commitment to positive social change.

## VIII. Social Entrepreneurship Competences in Vertical Gardening (Agriculture) and Climate Change Professions

**Author - Svitlana Tarasenko - Member of the Scientific Council of CONSORTIO Publishing House, Expert of The Zofia Zamenhof Foundation Poland**

Introduction. Significance of Vertical Gardening and Climate Change Professions

Vertical gardening is an innovative agricultural technique that allows for the cultivation of plants in vertically stacked layers or on vertically inclined surfaces. This method is particularly advantageous in urban areas where space is limited, offering a sustainable solution for food production. Vertical gardens can be installed indoors or outdoors and often utilize hydroponic, aeroponic, or soil-based systems. The primary benefits include efficient use of space, reduced water consumption, and the potential for year-round cultivation regardless of climatic conditions. By optimizing urban spaces, vertical gardening contributes to local food security and urban greening, enhancing the overall quality of life.

Professions in climate change encompass a wide range of roles focused on understanding, mitigating, and adapting to the impacts of global climate change. These include climate scientists, environmental policy analysts, sustainability consultants, renewable energy specialists, and urban planners, among others. These professionals work on reducing greenhouse gas emissions, developing sustainable practices, and creating policies that promote environmental resilience. Their work is critical in addressing the global challenge of climate change and ensuring a sustainable future for all.

Social entrepreneurship involves identifying and addressing social issues through innovative and sustainable business models. Social entrepreneurs aim to create social value by solving problems that affect communities, such as poverty, education, health, and the environment. Unlike traditional entrepreneurs, their primary goal is not profit maximization but rather achieving a positive social impact. Social enterprises operate with a dual focus on financial sustainability and social responsibility, often reinvesting profits into their mission-driven activities.

Vertical gardening exemplifies social entrepreneurship by addressing urban food insecurity, promoting sustainable agricultural practices, and enhancing environmental health. Social enterprises in vertical gardening can empower communities by providing access to fresh, locally grown produce, reducing reliance on imported food, and lowering carbon footprints associated with transportation. These enterprises often engage in educational programs, teaching urban residents about sustainable practices and encouraging community involvement in food production. By creating green jobs and fostering local economies, vertical gardening initiatives contribute to social and economic development.

Professions dedicated to combating climate change also align with the principles of social entrepreneurship. Initiatives led by climate professionals can include developing renewable energy projects, creating sustainable urban infrastructure, and implementing conservation strategies. These efforts not only address environmental challenges but also create economic opportunities and improve community resilience. For instance, renewable energy projects can provide clean energy to underserved areas, reduce energy costs, and create green jobs, while sustainable urban planning can improve living conditions and reduce vulnerability to climate-related disasters.

## 1. Vertical Gardening as a Social Enterprise

Vertical gardens can be implemented both indoors and outdoors, utilizing walls, trellises, shelves, and specially designed vertical structures. The goal is to maximize the use of vertical space to grow a variety of plants, including vegetables, herbs, flowers, and even small fruits.

Techniques of vertical gardening include:

A) **hydroponics**. Hydroponics is a soil-free gardening method where plants are grown in nutrient-rich water solutions. Plants are often supported in a medium such as coconut coir or perlite and receive nutrients through a water-based solution. This technique is highly efficient in water usage and can be set up in vertical towers or wall-mounted systems.

B) **aeroponics**. Aeroponics involves growing plants with their roots suspended in the air and misted with nutrient-rich water. This method allows for high oxygen exposure to the roots, promoting rapid growth. Vertical aeroponic systems use minimal space and water, making them ideal for urban environments.

C) **soil-based** vertical gardening. Traditional soil-based methods can also be adapted for vertical gardening using containers, pockets, or modular systems. These can be as simple as wall-mounted pots or more complex systems with integrated irrigation. Vertical soil gardens are versatile and can accommodate a wide range of plant types.

D) **green walls and living walls**. These are walls covered with vegetation, often supported by a growth medium like soil or substrate integrated into a structural support system. Green walls can be indoor or outdoor and often include built-in irrigation systems. They are used for both aesthetic purposes and functional benefits such as insulation and air purification.

E) **vertical pallet gardens**. Recycled wooden pallets can be repurposed into vertical planters. Plants are grown in the gaps between the slats of the pallet, making it a cost-effective and sustainable option for small-scale vertical gardening.

There are environmental and social benefits of vertical gardening. As an example, vertical gardening allows for the efficient use of available space, particularly in urban areas with limited horizontal space. By growing upwards, more plants can be cultivated in a smaller footprint, contributing to urban greening and increased local food production.

Many vertical gardening systems, especially hydroponic and aeroponic setups, use significantly less water than traditional gardening. Efficient water usage helps conserve a vital resource and can reduce the burden on urban water supply systems.

Plants in vertical gardens can help filter pollutants from the air, contributing to cleaner urban environments. Green walls and vertical gardens can absorb carbon dioxide and release oxygen, improving overall air quality and reducing the urban heat island effect.

Vertical gardens can support a variety of plant species, promoting biodiversity even in densely populated urban areas. Enhanced biodiversity contributes to healthier ecosystems and provides habitats for beneficial insects and pollinators.

By increasing green spaces and local food production, vertical gardening can reduce the carbon footprint associated with transporting produce from rural to urban areas. Urban agriculture can help lower greenhouse gas emissions and promote more sustainable food systems.

Additionally vertical gardening can provide a reliable source of fresh produce, particularly in food deserts and urban areas with limited access to healthy foods. Increased local food production enhances food security and reduces dependency on imported produce.

Also vertical gardens can be community projects, involving local residents in the cultivation and maintenance of the gardens. Such initiatives foster community spirit, collaboration, and a sense of ownership, leading to stronger, more connected communities. Besides vertical gardening projects can serve as educational tools, teaching people about sustainable agriculture, nutrition, and environmental stewardship. Schools, community centers, and urban farms can use vertical gardens to provide hands-on learning experiences, promoting environmental awareness and sustainable living practices.

Vertical gardens enhance the visual appeal of urban spaces, creating green and attractive environments. Exposure to green spaces has been shown to reduce stress, improve mental health, and enhance overall well-being for urban residents. And of course, vertical gardening can create job opportunities in urban agriculture, horticulture, and related fields. Local food production can stimulate economic activity, providing livelihoods and reducing unemployment in urban areas.

To sum up, vertical gardening offers numerous environmental and social benefits, making it a valuable component of sustainable urban development. By optimizing space, conserving resources, and enhancing community well-being, vertical gardening exemplifies the principles of social entrepreneurship, contributing to resilient and sustainable cities.

## **2. Case Studies of Successful Vertical Gardening Social Enterprises**

As Asia has high amount of population, and little space, so first vertical gardening social enterprises were formed there.

Sky Greens, located in Singapore, is one of the world's first low-carbon, hydraulic-driven vertical farms. Founded in 2012, Sky Greens addresses the challenge of limited land for agriculture in densely populated urban areas.

Sky Greens uses a patented hydraulic water-driven system to rotate tiers of growing troughs, ensuring all plants receive adequate sunlight; produces a variety of leafy greens that are sold locally, reducing the carbon footprint associated with food transportation. The system is energy-efficient, using minimal electricity and recycled water for irrigation.



Enterprises provides a reliable source of fresh, local produce, enhancing food security in urban Singapore, creates employment opportunities in urban farming and technology development, engages the community through tours and educational programs, promoting awareness about sustainable agriculture.

The unique hydraulic system is both space and energy-efficient, making it a viable solution for urban environments. Received support from Singapore's government, which recognizes the importance of sustainable urban agriculture.

Milano Urban Farming (MUF) is a pioneering vertical gardening initiative based in Milan, Italy. Founded with the aim of promoting urban agriculture and sustainability, MUF transforms unused urban spaces into productive green areas.

MUF utilizes a combination of hydroponic systems and soil-based vertical gardens to grow a variety of vegetables, herbs, and flowers; engages local residents through workshops, volunteer opportunities, and educational programs on sustainable gardening practices; collaborates with local schools, businesses, and government agencies to promote urban agriculture and green living.

MUF converts neglected urban areas into vibrant green spaces, enhancing the urban environment and biodiversity; provides fresh, locally grown produce to nearby communities, reducing the carbon footprint associated with food transportation and raises awareness about sustainable agriculture and healthy eating through hands-on learning experiences.

Strong involvement and support from the local community have been crucial to MUF's success. Successful collaborations with local institutions and stakeholders have provided the necessary resources and visibility.

Miastowa, located in Warsaw, Poland, is a social enterprise focused on integrating vertical gardening with community development. The project aims to address food insecurity and promote sustainable living in urban areas.

Miastowa employs hydroponic and aeroponic systems to grow vegetables and herbs in a controlled, vertical environment; operates community gardens and offers workshops, events, and training programs to engage residents and promote urban agriculture; focuses on sustainable and eco-friendly practices, including water recycling and organic growing methods.

Successful partnerships with local authorities, businesses, and NGOs have supported the growth and impact of Miastowa. The use of modern hydroponic and aeroponic systems has maximized productivity and resource efficiency.

Orto al Secondo is an innovative vertical gardening social enterprise located in Turin, Italy. The initiative focuses on creating vertical gardens on the facades of residential and commercial buildings to enhance urban sustainability.

The use of facade gardens maximizes space and integrates greenery into the urban landscape effectively. Strong engagement with local communities and property owners has facilitated the adoption of vertical gardens.

Orto al Secondo installs vertical gardens on building facades, utilizing modular systems that can be easily maintained; grows a variety of plants, including edible crops and ornamental species, to improve urban aesthetics and provide local produce; offers educational programs and workshops to teach residents about the benefits and techniques of vertical gardening.

### 3. Climate Change Professions and Social Entrepreneurship

Climate change professions encompass a wide array of roles dedicated to understanding, mitigating, and adapting to the impacts of global climate change. These professionals work across various sectors, including science, policy, engineering, and community development. Here, we will explore key climate change professions and their roles, highlighting how they contribute to addressing this global challenge.

The main climate change professions are climate scientist, environmental policy analyst, sustainability consultant, renewable energy specialist, urban planner, environmental educator, conservation scientist, environmental engineer, urban farming and vertical gardening innovator.

Climate scientists study the Earth's climate systems to understand the causes and effects of climate change. They analyze data from weather stations, satellites, and climate models to predict future climate scenarios and assess the potential impacts on ecosystems, weather patterns, and human societies.

Environmental policy analysts develop and evaluate policies aimed at addressing climate change. They work for government agencies, non-profits, and think tanks to create regulations and initiatives that reduce greenhouse gas emissions and promote sustainable practices.

Sustainability consultants help organizations integrate sustainable practices into their operations. They work with businesses, governments, and non-profits to develop strategies that minimize environmental impact and promote resource efficiency.

Renewable energy specialists focus on the development and deployment of renewable energy technologies, such as solar, wind, hydro, and bioenergy. They work in engineering, project management, and policy roles to promote the transition to clean energy sources.

Urban planners play a critical role in designing sustainable cities that can withstand the impacts of climate change. They develop plans and policies that promote resilient infrastructure, green spaces, and sustainable transportation systems.

Environmental educators raise awareness about climate change and sustainability. They work in schools, non-profits, and community organizations to educate people about environmental issues and promote eco-friendly behaviors.

Conservation scientists focus on preserving natural habitats and biodiversity in the face of climate change. They work for government agencies, non-profits, and research institutions to develop conservation strategies and manage protected areas.

Environmental engineers develop solutions to environmental problems, including those related to climate change. They design systems and technologies that reduce pollution, manage waste, and promote clean energy.

Urban farming and vertical gardening innovators develop sustainable agriculture solutions that maximize space and resources in urban environments. They address food security, reduce carbon footprints, and enhance urban resilience.

Climate change professions in the non-government sector are diverse and critical to the global effort to combat climate change. These roles, ranging from advocacy and policy analysis to renewable energy entrepreneurship and urban farming, demonstrate the sector's capacity for innovation, community engagement, and sustainable impact.

By leveraging expertise, resources, and a commitment to environmental stewardship, professionals in these fields are driving meaningful change and contributing to a more sustainable future.

So, today there is a whole direction of professions whose activities are aimed at regulating and restoring the climate balance.

#### 4. Case Studies of Social Enterprises in Climate Change Professions

Cool Earth is a UK-based social enterprise that works to combat climate change by protecting rainforest areas. Established in 2007, Cool Earth partners with indigenous communities to halt deforestation and promote sustainable livelihoods.

Cool Earth collaborates directly with local communities to create conservation agreements, ensuring that the communities have ownership and control over their land. Also enterprise supports alternative income-generating activities such as cocoa and coffee farming, which provide financial stability without harming the forest. Additionally company uses satellite technology and on-the-ground monitoring to track deforestation and the health of the rainforest.

As result Cool Earth protects vast areas of rainforest, which act as significant carbon sinks, thus reducing global greenhouse gas emissions, preserves biodiversity by protecting the habitats of countless species.

The enterprise's success is largely due to its emphasis on community involvement and empowerment, addresses both environmental and social issues, making it a model for sustainable development.

Other example of social enterprise in climate change professions is BioLite based in the USA that develops clean energy products designed to improve energy access and reduce environmental impact. Founded in 2006, BioLite's innovative technologies provide safe, affordable, and sustainable energy solutions to off-grid communities.

BioLite's flagship product, the HomeStove, is a wood-burning stove that reduces smoke emissions by 90% compared to traditional stoves, improving health and reducing deforestation. Enterprise develops solar-powered lighting and charging solutions that provide reliable energy to off-grid households and focuses on creating products that are both affordable and durable, ensuring long-term sustainability.

#### 5. Competences for Social Entrepreneurs in Vertical Gardening and Climate Change

Competences for social entrepreneurs in vertical gardening and climate change can be divided into such groups: core competences; interpersonal and communication skills; innovation and problem-solving skills; financial and resource management.

Below, we detail these essential competences.

Core competences

1) **Leadership.** Social entrepreneurs must be able to develop a clear vision for their enterprise and formulate strategic plans to achieve their goals. This includes setting long-term objectives, identifying key milestones, and adapting strategies as needed. Ability to inspire and motivate teams, stakeholders, and communities.

Effective leaders can communicate their passion and commitment to climate action and sustainable practices, fostering a shared sense of purpose.

2) **technical knowledge.** Deep understanding of various vertical gardening systems such as hydroponics, aquaponics, and aeroponics. This includes knowledge of plant biology, nutrient management, and system maintenance.

3) **proficiency in climate change science and sustainability practices.** This encompasses knowledge of renewable energy technologies, climate adaptation strategies, and environmental impact assessments.

### **Interpersonal and communication skills**

1) **empathy.** Ability to understand and empathize with the needs, concerns, and aspirations of different stakeholders, including community members, employees, and partners.

2) **conflict resolution.** Skills in mediating conflicts and finding mutually acceptable solutions. This is crucial in maintaining positive relationships and ensuring smooth operations.

3) **digital communication skills.** Utilizing digital platforms and social media to reach broader audiences, share updates, and engage with stakeholders. Effective use of these tools can amplify the enterprise's message and build a strong online presence.

4) **listening and feedback.** Strong listening skills to understand feedback from stakeholders and adapt strategies accordingly. This ensures that the enterprise remains responsive and aligned with community needs.

### **Innovation and problem-solving skills**

1) **creativity.** Ability to generate innovative ideas and approaches to tackle climate change and optimize vertical gardening practices. Creative thinking helps in developing unique solutions that address complex challenges.

2) **flexibility.** Ability to adapt to changing circumstances and explore new methods or technologies. This is essential in the rapidly evolving fields of climate change and sustainable agriculture.

3) **analytical skills to assess problems,** identify root causes, and develop effective solutions. This involves data analysis, critical thinking, and evidence-based decision-making.

4) **product and process innovation producing:** Skills in developing new products or processes that improve efficiency, reduce costs, and enhance sustainability. This includes designing new vertical gardening systems, developing eco-friendly products, or optimizing supply chains.

### **Financial and resource management**

1) **fundraising skills.** It includes grant writing, ability to attract and manage relationships with investors (presenting compelling business cases, negotiating terms, and maintaining transparent communications).

2) **budgeting and financial planning.** Social entrepreneurs must ensure that their enterprises are financially sustainable and that resources are allocated efficiently.

3) **sustainable practices skills.** This includes minimizing waste, promoting recycling, and using eco-friendly materials and technologies.

4) **revenue generation skills.** It is ability to develop and implement strategies for generating revenue, whether through sales, services, or partnerships. Diversified revenue streams can enhance the enterprise's financial resilience.

## 6. Ecological Education for Adults

Ecological education plays a crucial role in promoting sustainable practices and fostering an understanding of environmental stewardship. This is particularly important for adults, who often have the ability to implement significant changes in their personal and professional lives. We would like to highlight two exemplary models of ecological education for adults: a social enterprise in Poland and an Italian social cooperative. Both organizations are partners in a project aimed at promoting ecological education and social inclusion.

### Polish model: CUS Drobin

The “Centrum Usług Środowiskowych” (CUS Drobin) is a social enterprise located in Drobin, Poland. This organization focuses on various community services, including ecological education and support for individuals with disabilities. One of the unique aspects of CUS Drobin is its vegetable garden, situated around its property in Mirosław. This garden is an integral part of the occupational therapy workshop for disabled individuals.

The vegetable garden at CUS Drobin serves multiple purposes. Primarily, it is used for therapeutic activities for disabled individuals, providing them with a hands-on, sensory-rich environment. Participants engage in various gardening tasks, such as planting, weeding, and harvesting, which help develop fine motor skills and provide a sense of accomplishment.

Moreover, the garden promotes ecological awareness among participants. By learning about sustainable gardening practices, such as composting and organic farming, individuals gain valuable knowledge that can be applied in their personal lives. This practical approach to ecological education ensures that the lessons learned are both meaningful and memorable.

The impact of the vegetable garden extends beyond the immediate participants. The garden supplies fresh produce for the organization, emphasizing the importance of local, sustainable food sources. Additionally, the garden serves as a model for other social enterprises and community organizations looking to incorporate ecological education into their programs.

### Italian Model: Centro Solidarietà Giovani

The Centro Solidarietà Giovani, located near Udine, Italy, is another outstanding example of ecological education for adults. This social cooperative runs a large garden adjacent to a residential center for young adults at risk of social exclusion. The garden and the center work in tandem to provide a comprehensive educational experience.

The garden at Centro Solidarietà Giovani is maintained by the residents of the 24-hour, residential center. These young adults, who are often dealing with various social and personal challenges, participate in gardening activities as part of their rehabilitation and education. The garden serves as a therapeutic space where they can learn about plant cultivation, sustainable agriculture, and the benefits of working with nature.

In addition to gardening, the center offers courses and training programs focused on ecological practices. These courses cover a wide range of topics, including organic farming, environmental conservation, and sustainable living. By integrating practical gardening activities with formal education, the center provides a holistic approach to ecological education.

During a visit to the center, it was evident how impactful this garden is. The residents, who take pride in their work, gain not only practical skills but also improved self-esteem and a sense of community. The saffron produced in the garden is a testament to the dedication and hard work of the participants. The garden not only supplies the center with fresh produce but also represents a successful model of ecological education and social inclusion.

An essential aspect of the project is the collaboration between the Polish and Italian organizations. Both CUS Drobin and Centro Solidarietà Giovani share a common goal of supporting adults at risk of social exclusion through ecological education. Its partnership allows for the exchange of experiences and best practices, enhancing the effectiveness of their programs.

## **Conclusion**

Social entrepreneurs in vertical gardening and climate change professions must possess the ability to think creatively and innovatively. This involves developing new methods for sustainable food production, designing energy-efficient buildings, and creating adaptive strategies for climate resilience. Innovative thinking drives the development of solutions that are both effective and scalable.

Understanding the interconnectedness of social, environmental, and economic systems is crucial. Systems thinking enables social entrepreneurs to identify the root causes of issues, predict potential impacts, and design holistic solutions. In vertical gardening, this might involve integrating waste management systems to recycle nutrients, while in climate change, it could mean developing policies that balance economic growth with environmental protection.

Social entrepreneurs in vertical gardening and climate change professions require a diverse and robust set of competences to succeed. Leadership, management skills, and technical knowledge form the foundation of their capabilities, enabling them to run effective and innovative enterprises. Interpersonal and communication skills are essential for engaging stakeholders and building strong community ties. Innovation and problem-solving abilities drive the development of creative solutions and adaptation to challenges. Finally, financial and resource management skills ensure that enterprises are financially sustainable and can efficiently utilize resources. By mastering these competences, social entrepreneurs can make significant contributions to sustainable development and climate resilience.

By cultivating these competences, social entrepreneurs in vertical gardening and climate change professions can effectively address critical environmental and social challenges, driving sustainable development and fostering resilient communities. Their work not only mitigates the impacts of climate change and urbanization but also promotes social equity and environmental stewardship, embodying the transformative potential of social entrepreneurship.

## Key points

1. Vertical gardening is an important component of sustainable urban development. It optimizes space, conserves resources, and enhances community well-being. As a social enterprise, vertical gardening supports resilient and sustainable cities by exemplifying social entrepreneurship principles.
2. Vertical gardening social enterprises like Sky Greens, Milano Urban Farming, Miastowa, and Orto al Secondo exemplify innovative solutions to urban agricultural challenges. These initiatives maximize space efficiency, promote sustainable practices, enhance food security, and foster community engagement, contributing to more resilient and sustainable urban environments.
3. Climate change professions encompass a wide array of roles dedicated to understanding, mitigating, and adapting to the impacts of global climate change. Professionals in this field work across various sectors, including science, policy, engineering, and community development.
4. Social entrepreneurs engaged in vertical gardening and climate change initiatives require a diverse set of competences to effectively navigate the complexities of sustainable agriculture and environmental stewardship.

Leadership skills are necessary, enabling them to articulate a clear vision, set strategic goals, and inspire stakeholders towards collective climate action. Technical proficiency in vertical gardening systems such as hydroponics and aeroponics, coupled with a deep understanding of climate science, equips entrepreneurs to implement innovative solutions that mitigate environmental impact and enhance resource efficiency.

Interpersonal and communication skills play a crucial role in fostering collaboration with diverse stakeholders, understanding community needs, and mediating conflicts to maintain harmonious relationships. Digital communication proficiency allows entrepreneurs to amplify their message, engage wider audiences, and leverage technology for effective outreach and community involvement. Moreover, the ability to listen actively to stakeholder feedback ensures that strategies remain responsive and aligned with evolving environmental challenges.

Innovation and problem-solving skills are pivotal for developing sustainable practices and optimizing vertical gardening techniques. Entrepreneurs must creatively adapt to changing environmental conditions, explore new technologies, and innovate products and processes that promote sustainability and resilience. Financial acumen is equally essential, encompassing skills in fundraising, budget management, and revenue generation strategies that support long-term financial sustainability while adhering to eco-friendly principles.

5. Ecological education for adults is a powerful tool for promoting sustainability and social inclusion. The vegetable gardens at CUS Drobin and Centro Solidarietà Giovani serve as living classrooms where individuals can learn valuable skills and gain a deeper connection to the environment. The collaboration between these two organizations demonstrates the potential for international partnerships to enhance ecological education and make a meaningful impact on the lives of those at risk of social exclusion.

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## IX. Conclusion and summary

**Author-Zbigniew Dąbrowski, The Zofia Zamenhof Foundation Poland**

Social entrepreneurship is identified in the European Union as a key instrument of regional cohesion and overcoming the problems of poverty and social exclusion. Social entrepreneurship as a concept allows for the creation of alternative models of social enterprises to conduct market-oriented economic activity, while integrating all market entities - employees, employers, investors, consumers, etc.

The contribution of social enterprises to socio-economic development can be viewed from different perspectives:

- Ensuring access to basic services (social, educational and health) of local communities, including the most vulnerable groups of the population;
- Contributing to a more sustainable use of local resources, with the support of stakeholders, which promotes inclusive governance models that enable local communities to take strategic decisions;
- Supporting the creation of new jobs through the provision of new services for disadvantaged people; inclusion in the labor market of minority groups, single women, people with disabilities, etc., who remain excluded from the possibility of generating income.

The handbook emphasizes that social innovation is an essential component of social entrepreneurship. The issue of social entrepreneurship and sustainable development was also addressed. What distinguishes social entrepreneurship from traditional one is that social entrepreneurship seeks to create social value. From this perspective, it seems important to balance social value creation and social value capture in order to create a wide circle of beneficiaries of the solution, but without undermining its sustainability.

The project's fundamental concept, driving the creation of the script, stems from the belief that employing social entrepreneurship can effectively combat social exclusion. The project's objectives are as follows:

- Promote the development of social entrepreneurship and provide education on establishing and managing social cooperatives;
- Address the lack of awareness about social entrepreneurship principles among diverse social groups by raising public awareness;
- Foster the sharing of best practices, innovative methods, and new experiences among project partners to enhance their understanding of social entrepreneurship;

- Disseminate knowledge about social entrepreneurship to individuals at risk of social exclusion, potentially aiding them in finding meaningful livelihoods.
- Offer learning opportunities for existing social enterprise and cooperative operators, allowing them to enhance their approaches through the project's outcomes.

The handbook also includes a system of essential skills that a social entrepreneur needs (communication, tolerance for adaptability, acceptance of diversity, quick response to challenges and others). It argues that social enterprises mainly need support and advice from well-trained, practicing business advisors who have the necessary key skills, qualifications and competencies to provide high-quality advice for the development of social enterprises. Problems in the provision of advisory services to social enterprises are mainly due to the lack of information, knowledge and lack of adequate, timely and sufficient support, which again highlights the need for specialized training for business advisers covering a range of issues in the field of law, management, economics and finance of social enterprises.

It presents the experience of a Polish social cooperative and the social benefits of its activities. Therefore, this best practice can serve as an example for organizing similar social enterprises in other EU countries and territories. In addition, it identifies the most common problems faced by social cooperatives (e.g. lack of a permanent source of funding, lack of access to capital, lack of management skills, market competition and others).

It is necessary to take comprehensive actions on many fronts to support the development of social cooperatives and increase their capacity to carry out social missions. Promoting the development and growth of social cooperatives is an investment in a fairer and more sustainable society. This requires cooperation between the public, private and social sectors, as well as strengthening public awareness of the role that social cooperatives play in society.

We, as the team developing the above handbook and the SocEnter project, hope that the results of our project, in particular the script and the website [www.socenter.eu](http://www.socenter.eu) where the script will be placed in an electronic version in English, and later in Italian, Greek, Portuguese and Polish, will contribute to better understanding of the social economy and the principles of functioning and running social enterprises. We also look forward to further cooperation with each other as the project partners.