How to Start a Social Startup

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How to Start a Social Startup

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foreword

of Commissioner Tibor Navracsics on "How to Start a Social Startup"

I congratulate the Social Teahouse on their new project, 'How to start a social startup'. This is a fantastic idea. By giving entrepreneurial and social-minded Europeans the advice and support they need to found their own social startup, the project stands to benefit both individuals and communities.

Through this programme, the Social Teahouse can be a catalyst for increased growth in startups that are seeking to improve cohesion in European society and develop the skills of European citizens, particularly those from disadvantaged backgrounds. I applaud the Social Teahouse for designing and launching this initiative, and I wish them the very best of luck in their endeavour.

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"The personal experience can also motivate people to become social entrepreneurs. People from all kinds of professions become social entrepreneurs: teachers, social workers, doctors, psychologists, sometimes even businessmen. Usually these professionals start with some volunteer work and later on they start thinking about the financial sustainability of what they do and come up with one or another business model

It is the problem and the possibilities for its effective solution that determine business model of the social entrepreneurs. The profit is not important on it's own, it's only a condition for achieving the desired change".

-

Tatiana Burmistrova
Regional Director Central Europe and Kazakhstan
at Reach for Change Foundation

The social entrepreneurship can offer to disadvantaged communities (e.g. roma, poor areas etc) the chance to start building a better life, to establish their financial footing again, to create jobs across CEE through programmes for first-time entrepreneurs, and provide development opportunities to social organizations.

Social entrepreneurship can be disruptive, can be the push our society needs to faster improve and to better address the problems of the ones who were left behind.

-

Stefan Ionut Buciuc, Exective Director Social Banking Division, BANCA COMERCIALA ROMANA

"The social enterpreneurs have significant role in social development in the rapidly changing world we live in by choosing to develop their own businesses with focus and contribution in finding sustainable solutions to the individual and social challenges".

-

Sasha Bezuhanova
founder of MOVE.bg
Chair Of The Bulgarian Center For Women In Technology

Decision to prepare this guidebook comes as a result of several years work - theory and practice. People involved in preparation of this edition met years ago as experts working on development concepts for European Youth Capitals, where emerged two very important topics - social innovation and social entrepreneurship. Coming from countries with similar social and political context during the past fifty years, it was not a big challenge to recognise the social innovation concept as strong point to address many of the problems existing in our communities, cities and probably in the entire region of South Eastern Europe.

And social entrepreneurship is seen as one of the strongest measures to apply social innovation also as a tool for strengthening communities with active citizenship and volunteering. Neglected areas as social inclusion, urban development, healthcare, employment, education, etc. are among most preferred areas for social entrepreneurship.

The experience gained for the last three years, research and looking for creative solutions made us willing to share the knowledge, achievements and obstacles one can face when initiate such an enterprise, so to create a bigger platform for learning and sharing and to encourage brave people willing to create positive change in society.

chapter 1
general framework

IDEA is a youth led organization, established in 2009. Its main focus is in development of youth participation, empowerment of young people through non-formal education, social inclusion, encourage of active citizenship and entrepreneurship.

For the past few years, some of the most significant projects and initiatives of the organization are connected with policy making, social innovations, entrepreneurship and volunteering.

In 2009 IDEA is the organization proposing to Varna's NGOs and administration to apply for the title European Youth Capital. Later, between 2012 and 2014, members of the organization were involved as key figures in process of application and winning of the notable title for the city as EYC2017.

Based on the winning concept Varna EYC2017 focused on social innovations, IDEA has developed one of the first examples of innovative social enterprises in Bulgaria - The Social Teahouse. The place dedicated to social inclusion and empowerment of youngsters from orphanages by training and labour opportunities managed to become one of the best recognized practices in the country. The efforts invested in development of the Social Teahouse gained recognition on local, national and European level. The organization has been awarded by the Ministry of Labour and Social Policy (BG), Annual Convention on Inclusive Growth (BE), GEM Awards 2017 (BG).

The PONT Group is a non-governmental, non-profit organisation established in 2009 in Cluj-Napoca, Transylvania, Romania with its main focus on social innovation. Its activity combines programmes and project in 3 key main areas: participation, entrepreneurship and culture. The organisation puts a special emphasis on youth and the use of digital technologies and solutions. Regarding the geographic outreach, the PONT Group initiates and implements its actions on local, regional, national and European level, too.

The PONT Group was the initiator of the successful bid of Cluj-Napoca, Romania for the European Youth Capital title of 2015. Following this success, it also launched the first participatory budgeting process for young people in Romania, called Com'On Cluj-Napoca. These endeavours contributed to the launch of the Romanian Youth Capital Programme and the continental initiative on participatory budgeting for youth called Com'On Europe, which involves the European Youth Capital title cities of Torino, Braga, Maribor, Thessaloniki, Cluj-Napoca, Varna and Cascais.

Culture and heritage are addressed by the strategic programme called Castle in Transylvania, which aims to revitalise and reintroduce Transylvanian castles and mansions in the economic and social processes of the 21st century.

Kreatív Kolozsvár addresses the community of young people in Cluj-Napoca which aims to advance in its own career by launching companies and start-ups. This project creates and develops a youth-friendly and entrepreneurial ecosystem which assists, empowers young people to take this path.

Through its programmes and projects, the PONT Group provides innovation on conceptual and incremental level, too.

Who are the partners involved

The two organizations have mutual experience related the work on EYC title in their own cities, but also shared extensive partnership in exchanging good practices in community development, organization and capacity building. The present project supported by Varna EYC2017 gives valuable opportunity for both organization to unite their efforts, expertise and and experience and by sharing it to create a larger platform for development of better opportunities for young people in the spirit of present European values.

The present initiative is a bright example for focused cooperation on an expert level between cities for the heritage the EYC title can create and is an open invitation both to other cities from the Network of the European Youth Capitals, but also to others who see in this cooperation opportunity to develop in the field of social entrepreneurship. We believe that each experience is valuable and expect that the present guidebook can grow and update in the years with knowledge and expertise from the other cities.

From which model do we start:

We decided to share the Social Teahouse experience for several reasons. It is a multilayer project aiming to solve social problem with political and business instruments. First of all it came as initiative started by an NGO that develops economic activity. Later we chose the form of a social enterprise as opportunity to work for better sustainability of the initiative, and last but not least as a business. The opportunity to tell the story of the Social teahouse as mix of the two, where NGO is taking care about the social impact while the enterprise is responsible to provide the quality of delivered products and services.
The fact that for the last three years the enterprise received recognition by different institutions and organizations on national and European level made us believe it can encourage other entrepreneurs to undertake the challenge to develop their own projects despite the difficulties.

PONT

ideo

How did the EYC title provide a good context?

The 'European Youth Capital' is a title awarded to a European city for the period of one year, during which it is given the chance to showcase, through a multi-faceted programme, its youth-related cultural, social, political and economic life and development.

The EYC initiative encourages cities to both continue and expand the implementation of new ideas and innovative projects with regard to the active participation of young people in society, and seeks to present a role model for the further development of youth policies in other European municipalities.

The EYC initiative aims at strengthening the relationship between the European and local levels, fostering youth participation at the local level by applying common European objectives regarding youth policy. The title aims to demonstrate the complementary nature of European, national and local citizenship, especially regarding youth.

The first European Youth Capital was Rotterdam (the Netherlands) in 2009. The European Youth Forum has developed a transparent and fair competition open to all European municipalities. Based on the judgement of a high-level, independent jury convened by the European Youth Forum, the EYC title has since been awarded to Turin (Italy) in 2010, Antwerp (Belgium) in 2011, Braga (Portugal) in 2012, Maribor (Slovenia) in 2013, Thessaloniki (Greece) in 2014, Cluj-Napoca (Romania) in 2015 and Ganja (Azerbaijan) in 2016. The 2017 European Youth Capital was held by Varna (Bulgaria), which then is followed by Cascais (Portugal) in 2018, and Novi Sad (Serbia) in 2019.

For NGOs in the cities holding the title, it provides a proper opportunity to develop international cooperation and applied work in the field of key domains with impact on youth generations. This was the case also for the partners coming from the EYC cities of Cluj-Napoca and Varna. The cooperation between IDEA and PONT took birth in the framework of this title, first during 2015 when the city of Cluj-Napoca held the title and then continuing in 2016 and especially in 2017 when the city of Varna had the privilege to hold the same title.

Social enterprise

Social enterprises are businesses that exist in attempt to solve social problems, improve communities, to benefit public and community, rather than shareholders and owners. Social enterprises embrace important for the public causes and derive most of their money from economic activity, not from public funds and donation. The greater share (more than 50%) of their income is reinvested in their activity in order to support their mission.

Sustainability

In the context of social entrepreneurship, sustainability includes several equally important components: financial autonomy of the project, proving its capability to exist independently from external funding from public institutions or private donors. Another dimension is durability over the time. It is about the possibility of the initiative to be piloted, tested, to prove its viability sand to demonstrate its readiness to scale up.

Academy

Usually several months duration program providing training from specialists/ experts from various backgrounds, offering their expertise in different areas of the business, such as marketing, communication, HR, management, business modeling), etc.

Incubator

Program period (usually between one and three years), helping the entrepreneurs to develop and grow their ideas from the concept stage to more mature and independent level. Usually after passing a period in an accelerator, the enterprises are offered interdisciplinary personalized support in accordance with their individual needs how to develop the ideas they have into successful business.

Accelerator

Several months duration program providing offering special support usually to successfully passed preselection process initiatives in their early stage, which helps them to improve different dimensions of their work. Participants are provided with mentorship from experts. Main emphasis is put on development of vital business plan necessary for the startup.

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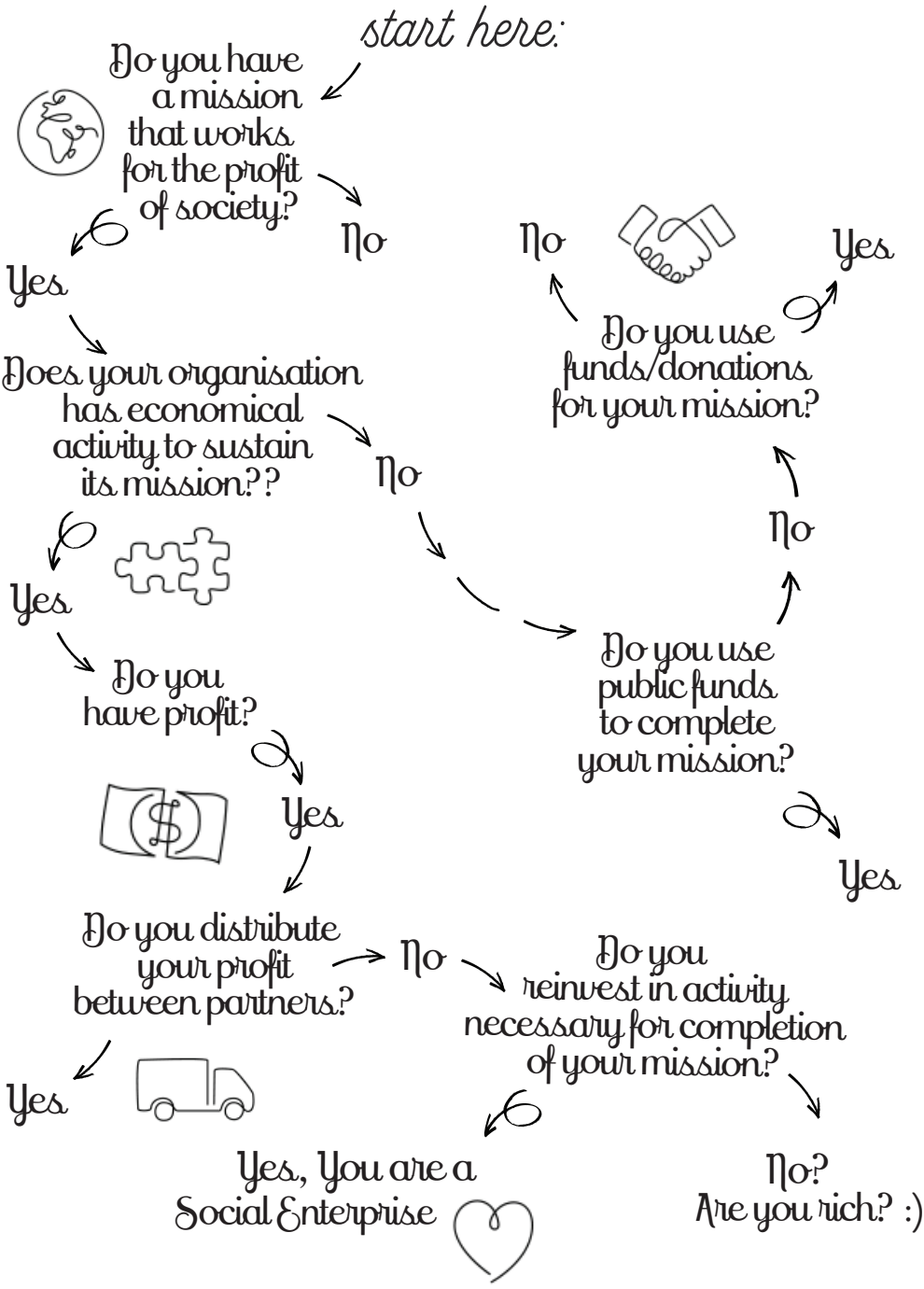
Business angel

They are individuals willing to help businesses to grow, by participating in them with capital. Often times they want to participate in development with their time and opinion. Their final goals is to increase their capital and receive back their investments.

Profit

Income streams of trading activity of the social enterprise that make possible achievement of the social effect. Profit is essential part for the sustainability of the social business, unlike in NGOs, where a main income is coming from grants or donation, however makes the social effect hard to maintain in long-term. The more money equals more social impact and accomplishment of the mission, as far profit is reinvested in the self-sustaining activity.


start here:
Do you have a mission that works for the profit of society?
No
Yes
Does your organisation has economical activity to sustain its mission??
No
Yes
Do you have profit?
Yes
Do you distribute your profit between partners?
No
Yes
Do you reinvest in activity necessary for completion of your mission?
Yes, You are a Social Enterprise
No?
Are you rich? :)
Do you use public funds to complete your mission?
No
Yes
Do you use funds/donations for your mission?
No
Yes

Analysing the threads and opportunities for social startups, we must admit as one of major opportunities the fact of insufficient number of existing social startups in SE Europe. Therefore we can add the lack of adequate legislation. One should remember that this is part of the the post Soviet heritage. The free market, entrepreneurship and democracy develop for only a quarter of a century, so entrepreneurship spirit itself does not have natural roots in these countries. To a certain extend reaction to this phenomena can be seen in the tendency of the EU policy to change funding opportunities from projects to micro-funding.

In terms of advantage we can say that in South Eastern European countries there is a plenty of social problems that need to be solved. Social innovation is a creative and positive approach to tackle these processes through creating more social enterprises.

Among the weaknesses needed to be mentioned is the lack of the sufficient number of prepared people who can run social enterprises in South Eastern Europe. Normally these people are educated in Western Europe and undertake these initiatives in countries with well developed ecosystems in social entrepreneurship. All these come to say that in the region there is a big niche to be filled in with a content within the next years. Regarding entrepreneurship targeting people from social care institutions, challenge is social care system has not transformed significantly, and it is still trying to solve contemporary problems with European funds, however using old methods, which often times does not bring qualitative results.

The common misunderstanding what social entrepreneurship is a challenge, too. The broad public does not have a clear notion about entities different from enterprise and non for profit organizations. Which once again come to prove the broad number of opportunities for the social enterprises.

Question	Answer
When should be the moment when I launch the planning process of a social business?	Every business, even a social one starts from an idea. Most probably you had an a-ha moment when you realised this is what you would like to do. You saw the business, and you saw the social cause, too. Most probably that is the starting point for you. However, do not consider your self the social entrepreneur at that very moment. Try to get basic feedback from family, friends or even people who are already engaged in creating and maintaining business and also with people who are understanding the social aspect more. If your idea seems to be validated by your surroundings, you get positive feedback, start planning the details, as you have probably have a viable thing in your head.
Is it an advantage or disadvantage to start a social business from scratch?	Starting from zero has its advantages and disadvantages, too. When you begin a business from scratch, being new, you have the freedom to transform it into whatever you want (and whatever you and your team is able to achieve). Furthermore, you have the opportunity to create your competitive advantage even in the social field. Also, you have a better motivation to achieve a good result on your own and you can feel pride when creating something that didn't exist before. Not the least, you start with a clean slate, you don't carry any prior baggage. However, disadvantages also occur. The chance for a new business to fail is much bigger than in the case of older businesses. Working with a team of people without a history of cooperation among each-other is also a possible weakness. You must also build your own brand for your social business, which usually takes time and resources. Not the least, you have to go through a lot of aspects which you might not have considered prior to launching into this endeavour. One has to prepare for a bunch of sleepless nights, but the chills and thrills leading to success might reward you while also being able to provide resources and attention for the cause you believe in.

Question	Answer
What does one need to be a successful entrepreneur?	Entrepreneurship is in fact a set of characteristics a person possesses during the launch and the management of a new social business. While serving also a social cause, a social business also needs to work on a financially sustainable level. One needs passion, determination, trustworthiness and knowledge in order to be able to build and sustain a successful business. Entrepreneurship is also strongly related to an individual or team motivation to achieve but also to a sense of independence and self management.
What kind of plan do I need at the beginning? How should I start?	A social business needs a plan just like any other new company or organisation. The planning process consists of some basic steps. First, it is important to set your mission, the long term perspective you are following. When you had your idea, you saw something in the future, too. Then, you need to analyse your environment (the SWOT analysis will just do). Then you need to see your competition, if somebody already does the same thing and where your competitive advantages could lie. Then it is useful to set some alternatives on how you could achieve your mission. Setting specific goals and planning some internal control systems (like what key number are you following in your own performance)can complete your planning process.
When should I stop working with the social business?	There are different exit strategies even in the case of a social business. And yes, one might need an exit strategy sometimes. You don't have to think on this while you are setting up your social business. But still, you should have in mind that at a certain moment this story might end for you. One of the exit strategies for you is handing over the business to somebody who will continue to sustain and develop it. This might happen after several years if you consider that you got tired of managing the business or you consider that there are other people who could run this business more efficiently. Businesses and organisations are handed over frequently, hence do not be afraid to make this step if there is a possibility for an improvement in your business that ultimately serves the social cause the business was set up for.

Question	Answer
	There might be always the other option, too. As any other business, your social business might go bankrupt with you and your team not being able to sustain it. Even with the best idea on your hand, this might happen for various reasons. In order to be prepared for an unpleasant situation like this, always be aware of your cost structure and realistic income prospects, and if you observe that there is no opportunity to cover costs from revenues constantly, either consider a serious restructuring, or be brave and take the decision to stop the social business before its debts accumulate.
What kind of people do I need in my team for a social business?	A social business needs a plan just like any other new Every business' success is not based on the individual work, but on the core team which makes the business going. Depending on the type of social business you are doing, you will need expertise in management, marketing and communication. Additionally, if you are dealing with products for which you work with suppliers and you also have to deliver products, logistics will be also a key area for you. Not the least, in any business, even a social one there is a need for proper accounting and legal services. In all these cases you have the option to decide if you manage these aspects internally or you subcontract some other company from the outside. Usually with smaller scale social businesses you will not be able to have a person for each type of responsibility, but you will try to have a team of people who can cover all aspects.
When should I stop working with the social business?	Finally, being a social business also means that you are working for a social cause. Hence you will need that specific extra expertise and people who will work on this special aspect and who are not into business-making but focus on the social impact you have to produce. One should never forget, that a social business is always created for serving a social cause. Launching and managing a business takes a lot of time, hence count always on the need to pay your own team even if they are the best friends you've got. At the beginning enthusiasm, volunteering, the sense of purpose will make you go on, but eventually financial needs will kick in, and in that moment having financial sources to pay your team's own work will be paramount in keeping it together.

Question	Answer
How visible should I be with my business in my community and towards the general public?	There are different exit strategies even in the case of a social business. And yes, one might need an exit strategy sometimes. You don't have to think on this while you are setting up your social business. But still, you should have in mind that at a certain moment this story might end for you. One of the exit strategies for you is handing over the business to somebody who will continue to sustain and develop it. This might happen after several years if you consider that you got tired of managing the business or you consider that there are other people who could run this business more efficiently. Businesses and organisations are handed over frequently, hence do not be afraid to make this step if there is a possibility for an improvement in your business that ultimately serves the social cause the business was set up for. There might be always the other option, too. As any other business, your social business might go bankrupt with you and your team not being able to sustain it. Even with the best idea on your hand, this might happen for various reasons. In order to be prepared for an unpleasant situation like this, always be aware of your cost structure and realistic income prospects, and if you observe that there is no opportunity to cover costs from revenues constantly, either consider a serious restructuring, or be brave and take the decision to stop the social business before its debts accumulate.
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How visible should I be with my business in my community and towards the general public?	Before reaching out to wider audiences, it is important to be well established within your own community, whatever this could mean. For example, if you are running a coffee shop or a restaurant or a bakery, your first target group will be the inhabitants of your city, neighbourhood or even a smaller micro-community like the street where you established your business. Try to create a first client base around the community where you and your team is frequently present, explain your business and your cause and seek for constant feedback regarding your endeavour, products and services. If you feel that this base is solid, extend your audience, target group step-by-step. If your social business is not laying on a solid base, any extension, development or bigger outreach might lose your focus and might lead you towards failure.
Should my branding focus be on clients from whom I get incomes or on the social cause I try to resolve with my business?	Well, it is kind of both. Most probably the best balance is to have a focus on the commercial side of your social business (after all, you have to sell yourself and your products/services). However, your brand can still contain hints (through its name, its visuals, like the logo or complementary visual elements) on the social cause you also represent. People will buy from you for two reasons. First they will buy you because of the product/service, its usefulness and added value for the client. Then, people will buy you also because they will support a cause, fulfilling a need for being socially responsible.

Question	Answer
	In practice, the decision to buy&support arises as a combination of these two aspects and it can vary from one person to another based on a variety of factors. Because today's society is predominantly consumer-based, the bigger focus on the commercial side while also expressing the social value behind your products and services might be the best solution in a successful branding and communication.
Is social media helpful in managing a social business?	Using social media can bring huge benefits for your revenues, or it can do nothing for your social business. Although it might seem to you that social media brought the world at one-touch or one-click distance, it is not like that at all. We continue to live in our micro-communities also on social media and reaching wider audiences needs skills and sponsored ads. Your presence on social media should complete your other branding, marketing and communication efforts. It is true, your presence on social media can help building awareness for your social business, but do not decide to create a Facebook page or Twitter feed if you don't have enough capacity to update them with interesting information regarding your business. In some cases, though it might seem overrated, an official website might serve you better than just a social media channel. But the latter can be a valuable extension for your own website. Whatever your decision regarding your business' presence on social media, have somebody on your team dealing with communication issues handle these feeds and integrate your social media strategy with your other online and offline communication efforts.
What do I do with the profit of my social business?	This depends a lot on what kind of legal form of an organisation you create for your social business. If you are a non-for-profit entity, you may have profit as the organisation, but you have to continue to use these assets for the organisation's activity. If you are a for-profit business, it is up to you (and your partners) to decide if your cash in your profits or you reinvest them in your company's development. Being a social business doesn't mean that you cannot have profits while also serving a social cause. And remember, that doing a social business doesn't mean you cannot employ yourself and the team. You are still doing valuable work for which you deserved to be paid by the working standards of the country where you established your business.

Question	Answer
Should I follow the progress of people involved in my business on whom I intend to have a social impact?	Following the progress of people is usually the "social" part of the "social enterprise". Having a tool for measurement of your social impact might be helpful, especially in case you report your results to key stakeholders and partners. This is important especially when you need to seek external/ additional funding or when you present your reinvestment plan to donors. But also regular check of achievement of your social mission can tell you much about is it worth the efforts and if you are on the right path. Not the least, following progress and discussing progress with the people involved is the best possible feedback for them. It is a learning process which can ultimately lead to a real increase to for them to succeed in society.
What kind of legal form should I choose for my social business?	You have to take into account that every country has a different frameworks, and for a final decision you need to consult this before taking a final decision. However, generally speaking first of all you have to opt for either a not-for-profit or a for-profit version of your organisation. For the first the easiest solution is creating an association. But as its name already suggests, you have to establish a non-governmental, not-for-profit association with usually at least 3 individuals (or organisations, as a matter of fact) associating as founding members. In this case your organisation will be allowed to have commercial activity and income, but every profit of the organisation has to be used for the social purposes for which it was established. In the case of for-profit organisations, the most common business format for a smaller scale social business is the limited liability company. You can be usually the sole owner or you can opt for having associates. LLD basically means that you (and your partners) do not guarantee with your own wealth for eventual losses of the company. In the case of an LLD, profit can be shared after taxes for profits and dividends are paid towards the state. However, before deciding on a specific legal format, consult a legal advisor in order to understand any specificity of the legal framework in your country.

When inventing anything new, most probably there aren't actually new things under the Sun. Most probably somebody else already came up with the same or at least similar solution. However, location, the surrounding socio-economic condition, law, and regulations make every business or company become unique in its full context. Not the least, the culture of society in which we aim to launch a business and even more so, a social business can be a decisive factor for our social impact. Study cases serve not as solutions to be copied but can serve as a source of inspiration for models, solutions for specific challenges. Learning from existing practices, already successful businesses and solutions is can be put at the baseline of how we can generate added value for our clients, while also providing for people confronting a special social situation. Developing and sustaining businesses is a process, like when you work on a puzzle game fitting all the pieces in order to have the full picture. Well, study cases are some of those pieces that help us have the full picture as soon as possible in order to be sustainable and to produce social impact, too.

chapter 2
study cases

The Social Teahouse model in practice

The Social Teahouse is Bulgarian social enterprise dedicated to work for creating a world in which children from institutions have equal opportunities to develop independent lifestyle, similar to those of children from the traditional families.

We are focused on development of quality social environment by including children and youngsters in risk in mentorship program and providing them with their first job.

Problem we are trying to solve

Lack of equal access to the labour market as an instrument for successful social integration for young people coming out from social state care institutions and orphanages.
Poor educational level, negative role models, and unhealthy family environment. Low quality of lifestyle, limited opportunities for development and independent lifestyle. Related to this we are dedicated to create qualitative social environment by enrolling them in a mentorship program and providing first job. We are focused to work with children and young people at the age between 14 and 18 years old. In perspective of 5 years, we want to reach 65 children providing them with equal opportunities for independent lifestyle.
The set goal for our work is for a period of 5 years to include 100 children from institutions and NEETS (not in education, employment and training) youngsters in the mentorship program, providing them with first job and creating partnership network with other small and medium enterprises from Varna. By implementing the activity we are also aiming increasing the public awareness and creating positive social engagement to the problem.

We started 6 years ago as a volunteering initiative made out of group of friends driven by the will to make a positive change in the life of children and youngsters living in social state care institutions. However, we believe that charity and work for the others can grow beyond the annual campaigns and collecting gifts and money. That is why we decided to undertake the adventure to develop a more in-depth and long-term oriented approach towards creating opportunities for better life. Institutionalization brings isolation from the world and living in community. And major part of the institutionalized children are facing a great challenge to get back to society after growing the age of 18 years, lacking of education, skills and knowledge.
The Social Teahouse has the willing to provide them with quality opportunity to integrate them and we are convinced that the integration is nothing more but the capability to live with the others - communicating, learning, working, sharing values and experience. And we are "the others". Integration is co-living together.
This is challenging and uneasy process that implies many efforts on behalf of each stakeholder - children, institutions, society in general and requires multi-level work.

By getting enrolled in the Incubator of Reach for Change foundation and with the fruitful media partnership of Nova Broadcasting Group we were provided with great opportunity to get closer to our goal.

This was the moment we received our first financial support, and also access to experts, colleagues, and people sharing same values and thinking, but also experience. We shared the story of Teahouse numerous times on conferences, summits, trainings, roundtables for social equality, TV- shows and online. And we reached many organizations, potential partners and donors, policy makers and stakeholders, local businesses from Varna and international companies. But before all - we reached out to people - humans who need to do good and who saw the Teahouse as a group of humans who also want to do good and are reaching for change.

It was a crucial premise for our social entrepreneurial project to get in the lights of the broader public and helped us to develop partnerships with number of individuals and business who continuously contact us driven by the willing to help us develop - by donating money, dedicating their time, expertise, services or equipment. All this makes us believe that we grew as positively recognized community supported initiative and that we are keeping the right path.

How we started?

In order to achieve the set goals we established a partnership with the Dutch NGO De Passarel, who provided us with know-how and expertise necessary for the development of the methodology for work and assessment of personal and professional achievements.

For the period of 9 months of negotiations with the Municipality of Varna and Varna Regional Administration, we managed to attract them as a long term partner of the Social Teahouse and in August 2015 the Municipal Council of Varna provided us with a place for period of 5 years.

The 460 sq. m. space is a building (ca. 1936) - monument of culture, initially designed for a bank. This gave us the great opportunity to develop our work and activities in the very beating heart of the city center, where we can work for the full-blooded social integration of the children from vulnerable groups.

social teahouse

One of major challenges to start running an entrepreneurial project for an NGO in international context is provision of funding for reconstruction and material equipment.

Normally the traditional grant schemes provide sources for activities and wages, but investment of such scale is out of their scope. Bank credits are also beyond the possibilities of non-for-profit organizations. It was the reason, the organization initiated multi-tool fundraising campaign addressed towards private donors - companies and individuals.

And despite the fact that such an investment is considered as delicate even for private companies, half an year after having the contract for the building with we managed to make a partnership with our first big donor, the Bulgarian-American company EsseTerre Ltd. It gave us opportunity to implement on three stages reconstruction of the building, creating for a period of year and half tea saloon, workshop room, and coworking space. The donation covered materials and professional services, while the most of the work was done by volunteers. Few months later with a massive Facebook campaign we managed to attract as partners IKEA who contributed with furniture and equipment that turned the teahouse in a cosy and nice place.

At the end our goal was to create a cultural-training and co-working space, which will become a natural hotspot for young professionals, artists and students to share their talents, hobbies and work. For a period of two years the Social Teahouse organized or hosted more than 600 events in various directions - social, cultural, business, entertainment, hospitality. The teahouse unites various audiences from the city and becomes a place for learning for youngsters from our target group, but also place for intergenerational dialogue and cosy space for families and children.

During the past two years we developed partnerships with several businesses and enterprises in different areas. Simultaneously with the remodeling, we were trying to work on mentorship program, which also needs constant investment. So, for already 3 years we have positive partnership with several companies covering costs, accommodation and food for the volunteering camps we make with our trainees 3 times per year.

Expanding the mentorship program and developing of instruments for trainees retention is a major objective for us, along with expanding working opportunities for the youngsters. We plan to develop qualitative catering services for 2018 and by this to provide more job opportunities for our trainees.

We have also worked on establishing positive and understanding communication with the staff of Social Directorate at the Municipality of Varna in order to be recognized as one of the stakeholders working towards social inclusion of youngsters in risk in the city and provision of facilitated access to institutions.

Another dimension of Teahouse' s image is that we are strongly determined to deliver qualitative and custom tailored goods and services led by the firm belief that social enterprise needs to be as good as regular supplier of the same service. Exactly the entrepreneurial spirit comes to remind that the volume of the revenue is the one that determines to a great extend the ability to survive on the market.

Essentials:

Mentorship program and social impact

In 2017 we continued our activities with children from the institutions trying to make it however in more structured way. We split the weekly ateliers designed for children aged 7-14 y.o., while with youngsters at the age between 16 and 18 year we started piloting the model of the methodology. The instruments for creating impact on the children from our target group, but also over the public audience, are 3 volunteer camps, multiple trainings, and private counseling meetings with mentors, participation in 4 big external events. The mentorship program is based on holistic approach with learning by doing and includes on a daily basis reflection and working on problems concerning their life skills - emotional intelligence, communication with people from various background, time and finance management, healthy lifestyle, life-long learning. On professional level we practice communication skills, teamwork, leadership and entrepreneurship. Language and computer skills are also in the agenda of mentorship program.

Team development

Development of the team is one of the greatest achievements of the Social Teahouse. The initiative was undertaken by the two founders in 2014, and only few months later the volume of work increased enormously. 2015 was the year when the Teahouse was surrounded by many supporters, many of them experts in different areas, who volunteered for our cause. Many of our needs were covered with their labor - construction work, design, mentorship for the boys, etc. In 2016 the first floor of the Teahouse was complete and had to open as a public space with daily routines. That was the moment we addressed our invitation to some of our most dedicated volunteers to stay as part of the team, while we devoted ourselves to the mission to scale up the initiative in a way that could cover the salaries of first team of the Social teahouse. And we believe that this is one of the best investments we make. Because people working in the teahouse could rarely be met at regular job fairs. None of the team members has a professional background in social care services, but all of them share same values on how important is providing with chance these young people *(see page 42)*. They are not only providing qualitative job for the teahouse, but are also mentors for the youngsters. In 2017 we provided working space for 4 trainees and 4 mentors and administrative stuff. At present moment a total of 11 persons contracted.

Business Model

Development of working business model was some of the major challenges for the Social Teahouse. It was as hard as founding the first donors. Being part of the incubator of Reach for Change, and later of the BCNL's provided us with expertise, support, networking but did not give the successful recipe how to structure our business, on which aspect to emphasise and which to stick as background activities.

Communication channels

Apart from the media appearance we have due to our partnership with one of the three biggest media in the country, maintenance of own communication channels like web and FB page was of special importance. We managed to created a community of more than 6000 followers, who continuously follow us, among which are also companies, sponsors, partners and donors.

Maintaining key partnerships

Taking care of relationships with key partners is of crucial importance as far as it validates our social work. We use multiple channels and undertake various activities to keep our partners informed about success and challenges we face. We prepare annually social impact reports, participate in various public events where we share our achievements and maintain intensive communication through social media channels. But also one of the main achievements of our approach is the transparency and living communication we offer to our clients and partners who have the opportunity to see the real transformation and advance of the youngsters involved in the Social Teahouse.

We see as important success the fact that the Social teahouse became a popular place in the city, but more over it works in a positive way towards challenging prejudices and public attitude towards people from institutions, which we recognize also as the willingness by some of the employees in the city to hire youngsters from the program after they complete their contracts.

The Social Teahouse

location Varna, Bulgaria
website www.thesocialteahouse.bg
facebook www.facebook.com/SocialTeahouse

friends jam

What is the social problem you try to solve?
Food wasting and negative public opinion about large families.

What is the solution your entrepreneurship offers?
Use harvest surplus for a benefits of the large families. Name of initiative - Draugu uogiene/ Friend's Jam

What is the legal background of your social entrepreneurship?
NGO GMM projects

What are the main activities you hold to reach solution of the social problem?
"Jam'ing" in a city markets; Harvesting; Seling of Jam; PR and publications at the national level;

What are the sources of your revenues?
Sponsorship and incomes from selling the jams

What main challenges did you meet until now?

- Financial sustainable model;
- Partners and investors;
- Team for developing;

Where are you heading to?

VISION Sustainable use of resources for human well-being. MISION Use surpluses of harvest and wasted food for a benefits of the large families

What are you most proud of until now?

Makinga jam's "Jam'ing" at city markets;
- 2015 participated 100 kids.
(70 proc. 2016)

Harvesting;
Gardens – 38 (2015) – 17 (2016);
2015-2016 truth Food bank - 1t. 324 kg. fruits.
Participated - 28 large families

Jam's selings;
start at November 2016. Volunteers (2015) – 86;
(2016) -80; Regions – (2015)-10; (2016) – 5;

Pubilities and National level TV news;
23 NGO GMM projects on the year 2016 awarded by Ministry of Economy of the Republic of Lithuania as Social business leader.

friends jam

location Lithuania

facebook www.facebook.com/drauguogiene/

Vratsa Software

What is the social problem you try to solve?

Not enough opportunities for challenging and well paid jobs in the region of Vratsa town. And thus most people leave the town. Also the lack of opportunities for quality IT education for students and adults.

What is the solution your entrepreneurship offers?

Build and grow an IT community which through quality education gives people in Vratsa the opportunity to have challenging and well-paid jobs as software developers in their hometown.

What is the legal background of your social entrepreneurship?

NGO - Association

What are the main activities you hold to reach solution of the social problem?

Organize interesting IT events and workshops that raise awareness about the opportunities that technologies offer. Conduct 9-month training course in software development for high school students and adults. The goals for the adults is to get basic knowledge and be prepared for internship in IT companies. For the students it is good chance to extend their IT skills and be prepared to participate in national IT events and competitions. Attract IT companies in Vratsa. Organize hackathons. Help national organizations that proved their quality of work in IT, education or entrepreneurship to start activities in Vratsa.

What are the sources of your revenues?
So far mostly foundations and funding programs. And few sponsorships from IT companies (mostly for our events). Are plans for the future are to get most of the revenues from IT companies that hire our trainees.

What main challenges did you meet until now?
In the beginning the question was is this model possible in Vratsa. Because there were no software companies and there were no people with such skills. And they both need each other so we had the chicken or the egg paradox. Now the challenges are that there are not enough experienced IT specialist who can work with the successful graduates and help them grow in the profession.

Where are you heading to?
Create strong IT industry in Vratsa in which 50 people start career every year. Replicate the model for other professions that can be worked remotely and offer challenging and well paid jobs.

What are you most proud of until now?
There are 15 people who work as IT specialists in Vratsa after the courses at Vratsa Software Community. For 2016 there were over 20 students who participated in national IT events and competitions.

Vratsa Software

location Vratsa, Bulgaria
website www.school.vratsasoftware.com

What is the social problem you try to solve?

Castle in Transylvania imagines the future through a community and organizational support network for the Transylvanian castles and mansions which aims to conserve, restore and capitalise the economic, cultural and tourist centre potential of their community. Our aim is to create a cooperation mechanism connecting owners, experts, communities, decision makers and other stakeholders in a collaboration under a framework programme based on a clear strategy, action plans that summarize a wide range of actions enabling community involvement, resource management and reallocation which lead to a reconsidered role of castles and manor houses in the socio-economic circuits in the region of Transylvania.

castle in Transylvania

What is the solution your entrepreneurship offers?

Long-term sustainability for our efforts lie in the power of a support community. Besides the traditional forms of attracting financial sources (like grants and community donations), a key element of sustainability lies in developing commercial activities which serve the community cause our programme follows. One of the solutions is creating an online shop for products and collections created and handmade by local artists which are inspired by the built heritage of Transylvania (especially castles and manor houses). We use local materials in the process of making the products.

What is the legal background of your social entrepreneurship?

The legal background of the social entrepreneurship is the PONT Group, a non-governmental, not-for-profit organisation (association) established according to Romanian law.

What are the main activities you hold to reach solution of the social problem?

Besides several community projects and efforts in the process of revitalising castles, the online shop in the programme was created during 2017 with the specific aim to diversify the sources of revenues for Castle in Transylvania and especially, to provide a constant flow of revenues for managing and developing the non-commercial endeavours of the programme, like audience development, capacity building, urgent small-scale interventions and professional expertise.

What are the sources of your revenues?

In the case of the Castle in Transylvania Shop, sources of our revenues are individual or corporate clients who buy products from the online shop either for personal, internal use or for reselling. The shop was created with support of EEA Grants.

What main challenges did you meet until now?

The three most important key challenges in our endeavour were related to the development of the first set of products created by local artists, the management of background logistics, and the proper promotion of the online shop. Not the least, aligning all these components and providing a proper management for the shop has also its unique challenges.

Where are you heading to?

The model of the shop is scalable especially on its offer side. Our aim is to extend and diversify the range of products and collections. We are inspired by the model of the National Trust from Great Britain, a more than decade-old programme that managed to conserve British heritage through a combination of community efforts combined with business solutions which provide sustainability for the social cause which stands at its base.

What are you most proud of until now?

There are 15 people who work as IT specialists in Vratsa after the courses at The quality of the collections and products combined with the stories behind them are for us of a high added value. It made us realise that long-term sustainability of castles and manor houses lie in using interdisciplinary and cross-sectorial approaches, and building solutions on digital technologies while preserving the cultural value of built heritage in the Transylvanian region.

Casle in Transylvania

location Romania

website http://www.castleintransylvania.ro

MamaPan

What is the social problem you try to solve?

In Romania a very low percentage of single mothers or mothers with many children manage to find and keep a job because of their special family circumstances. The MamaPan project focuses it's attention on this vulnerable economic group, with a significant risk of marginalization and social exclusion, giving them paid jobs with decent salaries and a work schedule that allows them to dedicate time to the family.

What is the solution your entrepreneurship offers?

Through MamaPan bakeries, the project offers jobs to single mothers or those who have more than two dependent children and are in difficult life situations. Mamapan wants to make a change in the life of the community where it operates, putting its interests before the concern for profit or capital accumulation. The project uses all of it's financial surplus from selling the products to accomplish the social mission that they've taken: creating new jobs.

At the same time, MamaPan is also mindful of the sustainable business feature of project by respecting high quality standards for products offered to the community. MamaPan's performance is in the workplace, but also in maintaining high levels of respect for their employees, for the products they make and for those who buy them.

What is the legal background of your social entrepreneurship?

Foundation

What are the main activities you hold to reach solution of the social problem?

MamaPan was set up as a social business, that is, a business - having sales and profit-oriented and respecting all the rules and standards in its operations, while being social, both through the employment of people who are part of a group in difficulty from an economic and social point of view, as well as reinvesting profits for social activities.

MamaPan bakeries offer a range of bakery products based on a technique that uses sourdough as the base of the products. The mother-sourdough that they use was made of whole wheat flour and plain water; MamaPan's bread is hand-made and it is natural, with no yeast, no additives, improvers, flavour enhancers and other products that are not suitable for a healthy bread.

MamaPan also takes parts in social projects, organizes workshops for children, events, with partners and sponsors from the social entrepreneurship, business and non-profit sector.

location Romania *website* https://www.mamapan.ro/

When inventing anything new, most probably there aren't actually new things under the Sun. Most probably somebody else already came up with the same or at least similar solution. However, location, the surrounding socio-economic condition, law, and regulations make every business or company become unique in its full context. Not the least, the culture of society in which we aim to launch a business and even more so, a social business can be a decisive factor for our social impact. Study cases serve not as solutions to be copied but can serve as a source of inspiration for models, solutions for specific challenges. Learning from existing practices, already successful businesses and solutions is can be put at the baseline of how we can generate added value for our clients, while also providing for people confronting a special social situation. Developing and sustaining businesses is a process, like when you work on a puzzle game fitting all the pieces in order to have the full picture. Well, study cases are some of those pieces that help us have the full picture as soon as possible in order to be sustainable and to produce social impact, too.

chapter 3

Tools

The people who create their own social start ups, may have different motives to do it, but still share a few other things in common:

1) They don't wait for the government or the oligarchs to solve the problems. They are active themselves and take on the responsibility;

2) They don't limit themselves to solutions concerning only their own child or small groups of related children, they try to spread the solution so that it can reach everyone affected by the problem

3)They begin to involve other adults - parents, stakeholders, the local community, the government - in the solution of the problem

4) And last but not least: the social effect they create is the most important thing for them. It is the problem and the possibilities for its effective solution that determine their business model. The profit is not important on it's own, it's only a condition for achieving the desired change.

Tatiana Burmistrova
Reach for Change, Program Director
Central Europe and Kazakhstan

Because there are around 16 million people at risk of poverty or social exclu_ sion in the countries in which Erste Group operates.

Our society changes rapidly. We are talking very much about machine learning, robots, AI, VR, UBI (Universal Basic Income) in top cities in every country where people can get a fair access to resources, education and employment opportunities but if you look to the rural of east Europe where education stops prematurely, many children are left behind by parents working abroad and no real employment opportunities exist, than you can clearly see that we are far from solving basic needs of a big part of the population. And the distance between top cities and rural areas of the countries is growing rapidly.

Here comes social entrepreneurship. I strongly believe that social entrepreneur_ ship should become a viable employment choice in comparison with state authorities and multinationals.

Stefan Buciuc
Exective Director Social Banking Division,
BANCA COMERCIALA ROMANA

We live in rapidly changing world, which finds new opportunities for development and gives us unfamiliar challenges - in personal plan and as a community. Finding solutions for full-bodied life tomorrow requires entrepreneurship, constructive contribution and shared efforts of people with different experience and perspective every day. It requires new level of consciousness of the business for its social mission and business approach for the organisations working on socially important causes. The social entrepreneurship is a mindset and instrumentarium for development of sustainable solutions for the individual and the society. It is a moral choice and sign for consciousness, that our quality of life as community is guaranteed by integration in the business process of goals with social dimension.

Sasha Bezuhanova
founder of MOVE.bg
Chair Of The Bulgarian Center For Women In Technology

Theory of change is an instrument for measuring the social impact. It helps you create logic path to the system social change you want to achieve. Often used by NGOs or social change organizations to plan and target their programs, as well as to measure their social impact.

One big advantage of the present instrument is that it helps answering two major questions:

Is the enterprise profitable?
Does it generate returns of the made investments?

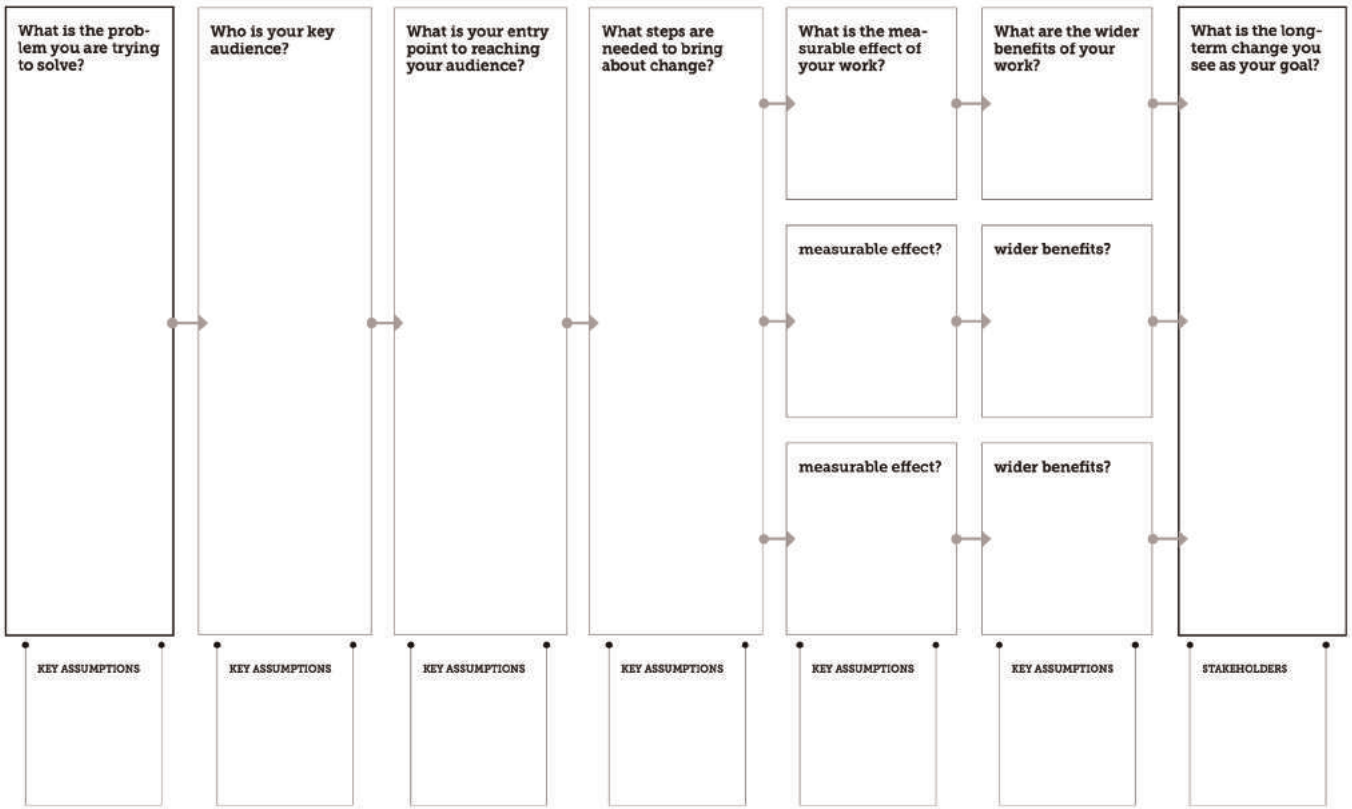
In the case of the social entrepreneurship, answering the second question depends to a great extend on qualitative completion of the social mission. Theory of change is one of the tools that can help you track changes. It is very much action oriented tool - once you clarify the problem you want to solve and then state your vision - what you want to achieve in long-term plan. Identifying your primary target group and the long term outcome, can give you ideas about first steps you can do to get closer to your goal. After that you need to think on what activities can bring you the achievement of the long-term perspective. It is good to keep it practical and thus to be able assume outputs and to reflect on desired outcomes of each activity.
The tool gives opportunity to keep it simple, and this why it is good if you go through this several times and reflect on it together with your partner or team, since each model including this one, has its limitations and it is good to backup, reflect and rethink the most suitable solution.

download tool here:
www.diytoolkit.org/media/Theory-of-Change-Size-A4.pdf

DIY10

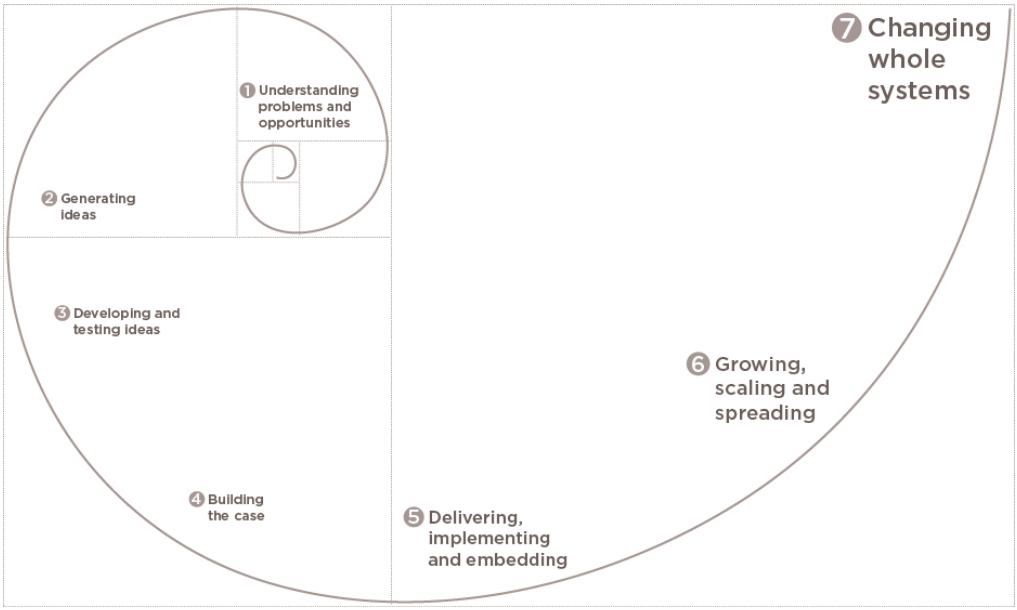
I want to clarify my priorities
by defining my goals and the path to reach them

THEORY OF CHANGE

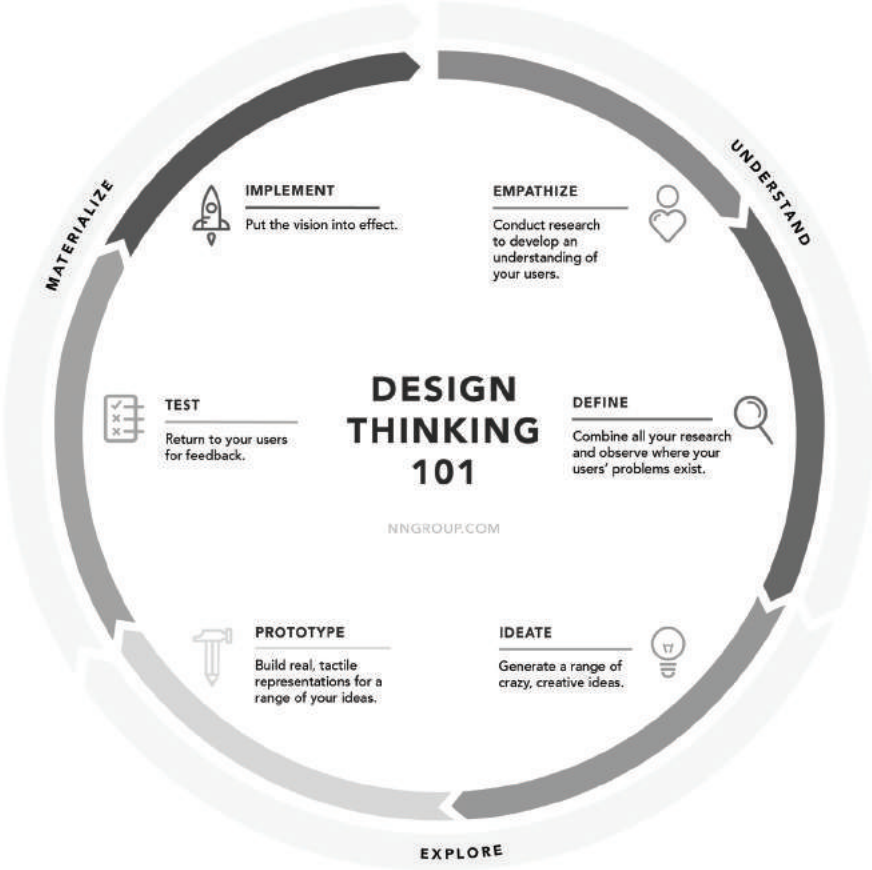


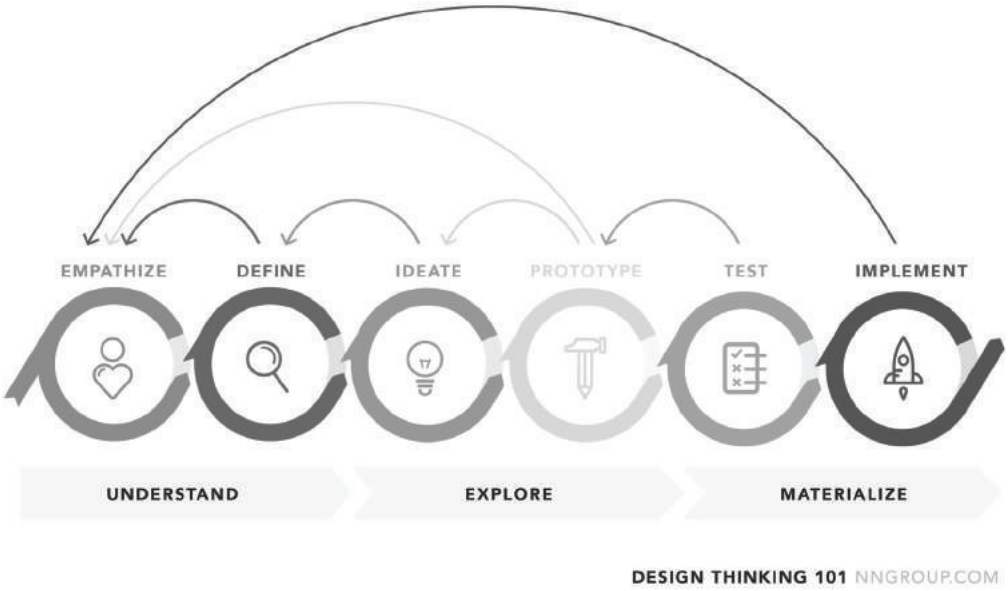
Social innovation spiral

Social innovation spiral is a tool, which is not only scientifically proving that if you are persistent enough your will bring change to the world, but also somehow show how you can make friends along the way. The systematic change that each social entrepreneur dreams of achieving is the road map of the social innovation spiral. It starts form the centre with small steps of prompts and identifying challenges and it unveils towards its periphery into piloting and prototyping until actually changing the context and narrative of the identified challenge in first place.



Design Thinking is a methodology used to solve problems, develop products and create tailor-made services. A design thinking mindset is not problem-focused, but result-oriented and solution-focused, a process oriented towards quality and impact. There are 6 main stages of the process: emphasise, define, ideate, prototype, test, implement. Many analysis and tools are limited to observation or pure research, while the design thinking encourages you to prototype, test and improve throughout the process of product development. Why is this so important in the context of social start ups? Mainly because your product should be applicable to different contexts - target group of benefices (often producers), customers (who pay for it), donors (who would support you in your cause), investors, media, general public, etc.





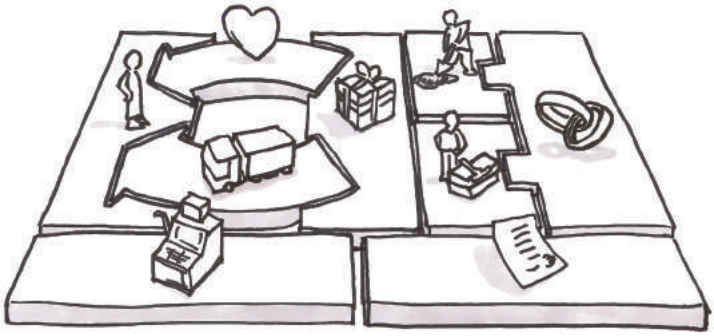
download tool here:
https://media.nngroup.com/media/articles/attachments/Design-thinking-101-NNG.pdf

Value Based Leadership tackles organizational culture on a new level - the way employees, founders, managers and company's value mingle the communication efficacy, the trust and the long term commitment of staff to the organization's mission. Leaders should be able to adapt their company values to everyday organizational practices which also don't disrupt the team performance and product quality. In the context of social start up Value based leadership can be assessment tool for management, founders behavior and team communication. Self-reflection, balance, self-confidence, and humility are the 4 key qualities of the leader, who follows VBL. The concept of VBL stands on the foundation that people can be united on a values level much easier, efficient and focused than on professional background - e.g. if you need a project manager in children's rights NGO, it is important the person to have some basic knowledge of project cycle and management, but it is far more crucial to actually care about social rights, children's struggles in society, poverty and education. Company's values can be seen in the attitude and behaviors of each employee, reflected in each policy paper and annual report and most importantly seen in the dimension of each product or service provided.

In order to understand why values are so important and why value-driven organisations are so successful, we should first explore what value-driven is and what actually values are. According to sociology “values” are: “The ideals and customs of a group toward which the people have an effective regard.” - our internal drivers, sometimes unexplainable, formed by our background, personality, family, education, etc. VBL stands next to a global study on human values, where in various contexts actors define their values - tribes, rural area community, large cities and megalopolises, expats, etc. In all of those contexts values such as parenthood, peace, honesty, prosperity, happiness, wealth, health and faith are milestones of behaviors and attitudes, regardless the social order and system.

Barret cultural centre, which is the leading educational institution in the field of VBL, adapt the concept of human values, corporate values and organizational culture in series of internal monitoring actives and test.

they are accessible at https://www.valuescentre.com/



The Business Model Canvas is a frequently used tool in the business sector worldwide providing a visual framework for creating simple-to-understand business models. However, it is also a relevant tool for not-for-profit oriented organisations and endeavours.

The Canvas is the result of the work of several hundred managers and experts in the field of business and project management. The Canvas has an open source and it can be used and adapted by any individual or organisation.

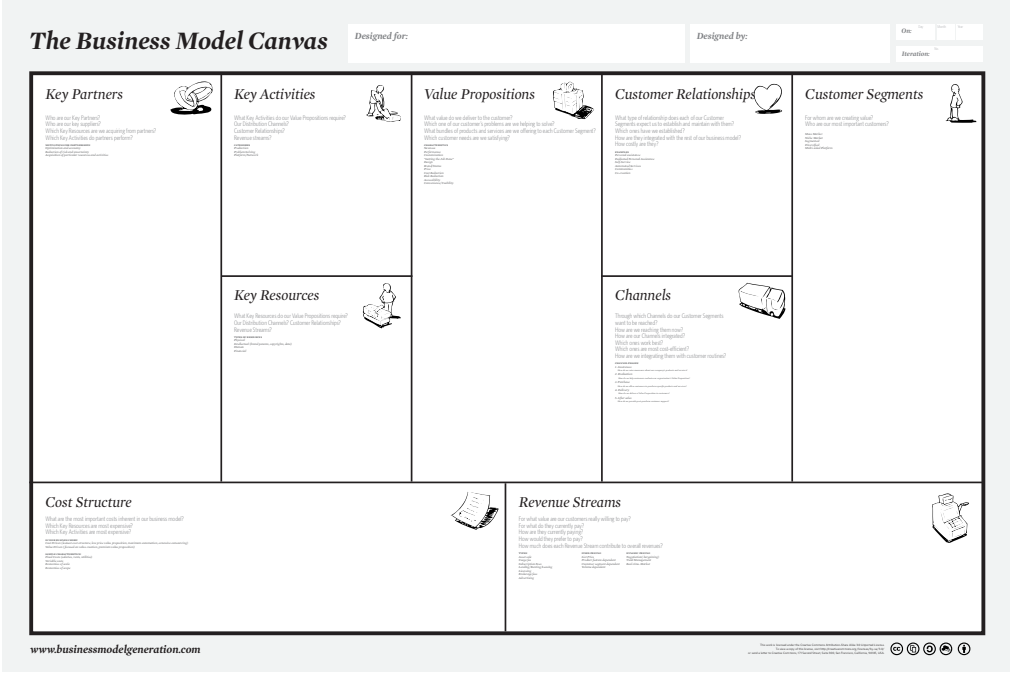
The basic model contains 9 building blocks focusing on specific aspects of the model. It starts from the Customer Segments (or target groups) for which a business is created. The most crucial part is what Value Proposition is provided for these target groups. The following two blocks. Channels and Customer Relationships set the framework for the interaction with our target groups. All of these aspects provide also the Revenue Streams for our business.

In order to provide value for our customers, there is a need of course for organising ourselves. In this context, Key Resources (which can be physical, intellectual, human or financial) provide the necessary ingredients based on which Key Activities are organised. Of course, in organising activities the role of external Key Partners (like professionals, suppliers) is also paramount. All of this produce a unique Cost Structure for the business.

As an extra component, social entrepreneurships can also consider Social Benefits and Social Costs for their business models.

The Canvas imagines a business as a stage, where all aspects of the frontstage and the backstage are also relevant for providing a good show (or business, in this case). In this context, the customer segments, channels, customer relationships represent the blocks of direct interaction, the value proposition is the stage itself, while key partners, key activities and key resources provide all the ingredients happening in the backstage for providing the proposed values.

There are several patterns in adapting the Canvas for different business ideas. One with specific relevance for social entrepreneurships is called Multi-sided Platforms. These platforms bring together two or more distinct but interdependent groups of customers. The platform creates value by facilitating interaction between the different groups. The essence of this pattern is the fact that a social entrepreneurship has to provide a business model but also a social model in the same time. A multi-sided platform model connects to customer segments, target groups and provides value for both in the same time. Hence, sustainability is provided on economic and social level, too.



download tool here:
www.canvanizer.com/downloads/business_model_canvas_poster.pdf

The Value Proposition Canvas gets into the details of the core element of a business model, which consist of its customer segment and value proposition. This tool enables the creation of an easy-to-understand concept which then is easily explainable to any potential investor, decision maker or other stakeholder. Pay attention for developing two value propositions canvasses if your model is a Multi-sided platforms as your target group's needs will be radically different on the social side than the ones on the business side.

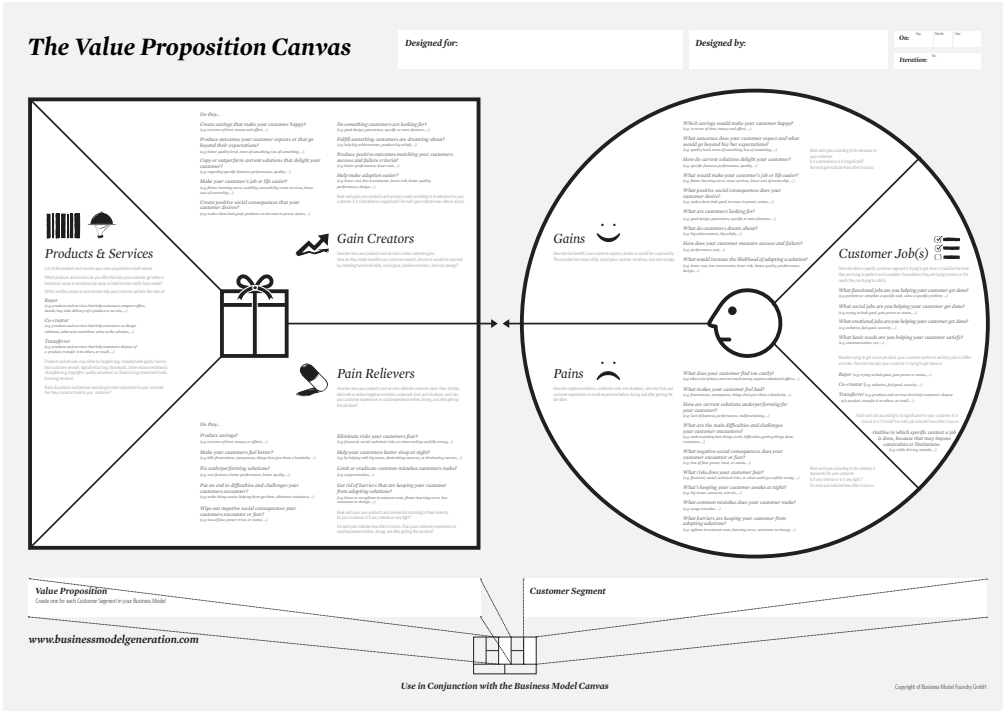
On the customer or target group side, the Value Proposition Canvas gets deeper into the topic with the help of the Customer Profile Map, which helps us observe customers through three basic elements: their Jobs, their Gains and their Pains. Jobs mean in fact the things the members of the target group need to get done, in their workplace or in their life in general. These can be functional, social, personal/emotional or supporting jobs, too. Whatever we are offering has to provide an answer of solution to these jobs, hence the target person will not be interested. Pains reflect aspects and situation which the target person wants to avoid in live, like an undesired outcome, problem, obstacles, risks of any kind. The severity of the pain is also of interest for our value proposition.

On the other side, the canvas tackles our value proposition through the Value Map. As in the case of the Costumer Profile Map, this one also addresses three main aspects, Products and Services, Gain Creators and Pain Relievers. It is, if you like the answer given to the different aspects highlighted regarding the situation of the target person or group. It is how we create value.

With the Value Proposition Canvas we will have the opportunity to create the FIT between what customers need and what we offer. If this fit does not exist, our business model will not be sustainable and our social business will go bust.

When using this tool, try to be as specific as possible on all aspects. Using general formulation will weaken your value proposition, which will also weaken your business model itself. Also, do not forget that the final judgment on your value proposition comes from the customer itself. If it is a relevant one and provides solutions for the jobs which need to be solved by your customer, it will result in a purchasing act. Also in the case of your social purpose, if your proposition solves a real social problem, the ones who face this problem or are stakeholders in solving that problem will become your partners, allies, supporters.

The Value Proposition Canvas is also an open source tool, it can be used by anybody, individually or collectively.



download tool here:

https://www.innovatecalgary.com/files/public-files/video/value-proposition-canvas.pdf

Social Impact Methodologies

Social impact methodologies are measuring the footprint a business makes while existing, selling, buying, undergoing transactions, bankruptcy, etc. Since the 1990 tools for measuring SI have been developed from any corners of the world and from small enterprises to G8 councils have shown interest in finding the most objective one. One of the biggest challenges for social entrepreneurs is measuring the social impact that they have created. In a regular business the indicators for success and impact are very obvious - profit, new branches and franchise, low employe turnover, high and sustainable product/service quality, etc. In a social start up the business part is only half of the work. Both for internal monitoring and external visibility, proving our social impact is crucial for your SE. When it comes to donors and corporate partnership the outreach and in depth work are the main indicators needed to prove social impact. Of course, depending on your target group, methodology and context results may come in different shapes, time and sustainability. If we have to generalize quantitative indicators are much easier to prove than qualitative indicators (e.g. how many people you work with, how many participants are in your mentorship group, how many employees for how many months, etc). Qualitative indicators are difficult to follow sometimes if you have to prove progress and development in soft skills, behavior and attitude changes, since these process are based on individual characteristics and need time to show. Both qualitative and quantitative indicators can vary and many times we can have very impact-focused SE with only 5 employees in comparison with less-effected SE with 10 employees. In order to analyze properly each SE should be researched chronologically and both categories of indicators should be taken in consideration.
Examples of quantitative: annual report with number of outreach, number of events, employees, etc; list with participants, pictures.
Examples of qualitative: questionnaires, on going interviews with employees, monitoring system for development on monthly basis, etc.

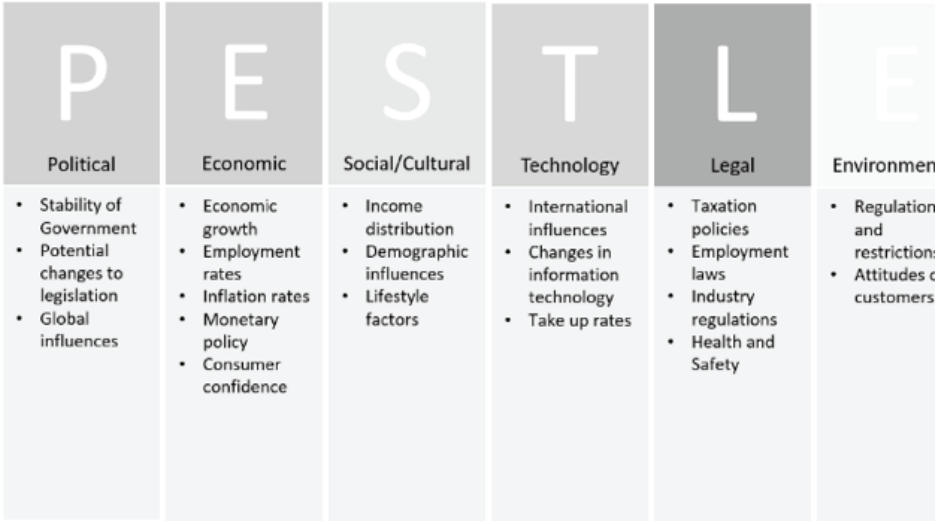
Social impact methodologies are needed not only for external reporting, but also for internal monitoring and adaptation of tools the social enterprise uses. Keep in mind that you as founders have the most valuable data for measuring and the external tools are just the matrixes you can use in order to organize your data, depending on what you want to measure - environmental footprint, progress out of poverty, development and performance reporting, inclusiveness, gender balance, product social impact, etc. In 2016 the London School of Economics shared their critical analysis for social impact measurement analysis and the final paragraph which is call for action very clearly describes the actual situation with the sea of methods and the labyrinth of their efficiency:

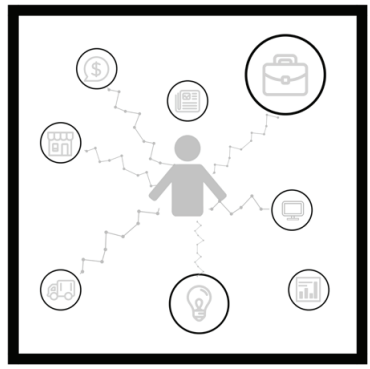
"We contend that a 'one size fits all model' can provide value in total and holistic impact assessment, rather than the further proliferation of sector or firm-tailored methodologies. Unlike Grieco (2015: 84-85), we hold that the social impact assessment landscape is missing a platform that allows users to input and share their information in a truly transparent, comparative manner. Our point of departure is that enterprises should not ask "which kind of impact do I want to assess?" – as Grieco suggests – in order to choose the right methodology.

download tool here:
www.lse.ac.uk/businessAndConsultancy/LSEConsulting/pdf/Assessing-social-impact-assessment-methods-report.pdf.

PEST (ELD) analysis, SWOT

Often when it comes to the great ideas of social entrepreneurs we go head over heels without the careful analysis that is needed before launching. The PESTLED and SWOT analysis are basic tools for testing you idea and putting it into the surrounding context. The SWOT tackles the ideas weakness and strengths (internal factors) and the possible threats and opportunities (external factors). The PESTELD analysis is helps you draw a very clear overview of the reality that we try to work in - political context, economic situation, social factors, technology, environmental characteristics, legal frame, demographic profiling, etc. All of those area of analysis can give a better understanding of the "where" and "when" we are launching, also it can help us design our products and services according to the segmentation of the market we aim for.





Stakeholders mapping is a methodology that can be used in the beginning of advocacy campaigns, fundraising campaign or basic analysis before launching a social enterprise in order to have a complete picture of the surrounding environment. Stakeholder mapping is used also in the Five-Step Approach to Stakeholder Engagement. Mapping is an important step to understanding who your key stakeholders are, where they come from, and what they are looking for in relationship to your business.

Many times the social entrepreneur focus so much in the problem they want to solve, that they ignore both the challenges and the opportunities that stand in their way. The stakeholder mapping is map where your social enterprise stands in the middle and interested parties are identified as potential partners, institutions, competitors, policy makers, alias, opposers. For example if you work on LGBTQ+ rights in many countries you may have opposers from the institutions and government and allies from the civic sector, on the other hand if you work in context of children's rights you may find difficult any direct opposers. To be able to identify who will/may support you and who will be either ignoring or opposing you is the foundation of your future partnership network. NGOs and institutions as mentioned above are part of the map, but large companies, other social enterprises can also be source of interesting analysis - where do they stand in relation with your future venture, why do they stand there and is their position/decision motivated by moral values, legal terms, financial conditions, etc. Once you have your stakeholders mapping ready you can start analyzing each correlation individually - trying to see who is the human behind each organization/institution and what kind of communication you may or may not have there and where is the win-win situation for both actors. Identifying a stakeholder is a complicated and long term process in which your social enterprise is searching for mates - what part of your organizational mission matches others mission, vision and values? Why would the government and one agency be interested in partnering with your venture, what can go wrong, what can go right? Many times neglected, the stakeholders mapping is also a great piece of analysis that you can hang on the office wall behind you, listing your proud supporters and power relations.

Key resources for an initiative, organisation, entrepreneurship can be grouped in four main categories: human, physical, intellectual and financial. This chapter aims to provide anchors on how to provide proper resources for launching and sustaining a social business. In this chapter, we focus on two key main areas. Grant schemes and programmes can provide not just the necessary financial sources for one's endeavour but in many cases also the partnership and cooperation from organisations with existing expertise that provide the intellectual resources for a social business. Not the least, training programmes and academies enable the improvement of necessary human resources (or bluntly put, your and your team's capacity to deliver as social business). While not being fully comprehensive, the role of this chapter is to provide you with some of the existing opportunities. However, building the necessary resources takes time and a continuous effort, which are able to deliver results not just on short, but mostly on medium and long term.

chapter 4
resources

EESC Civil Society Prize

Rewarding excellence in civil society initiatives

The aim of the EESC civil society prize, which was created in 2006, is to reward and encourage tangible achievements and initiatives by civil society organisations and/or individuals at all levels, European, national, regional and local, that significantly contribute to promoting European identity and integration.
Such achievements and initiatives have to be creative and innovative and make a long-lasting and positive impact on the public's perception of Europe and the integration process.

Cartier Women's Initiative Awards

for for-profits

The Cartier Women's Initiative Awards is looking for committed female entrepreneurs heading initiatives with the potential to grow significantly in the years to come. It is a unique opportunity for early-phase women entrepreneurs to take their companies to the next level.

Community board TELUS International Europe

Each year, TELUS International invests hundreds of thousands of dollars in the Philippines, Central America and Eastern Europe to registered charities through our five TELUS International Community Boards. The maximum investment our international Community Boards will consider is $5,000, with a maximum of two per year funded at $10,000.

Rolex Award for Enterprise

Since 1976, Rolex has honoured extraordinary individuals who possess the courage and conviction to take on major challenges. Each Rolex Award for Enterprise is given for a new or ongoing project anywhere in the world – one that deserves support for its capacity to improve lives, or protect the world's natural and cultural heritage. These projects have touched all aspects of humanity by expanding knowledge or improving life on the planet.

seif Awards for Social Entrepreneurship

seif supports and promotes individualsor teams seeking to apply innovative business ideas to respond to current social and/or environmental problems, otherwise known as "social enterprises". We do so by offering companies programs, consulting, training and general support according to their needs and stage of development.

To contribute to the professionalism of the social entrepreneurship community and build up the capacity of the social enterprises, seif also act as a bridge between stakeholders by connecting actors from the financial sector, corporate world, universities, foundations and others to create the highest social impact possible.

Disobedience Award

The Media Lab Disobedience Award seeks to highlight effective, responsible, ethical disobedience across disciplines (scientific research, civil rights, freedom of speech, human rights, and the freedom to innovate, for example). Disobedience Award objectives are to build awareness and support of disobedience-robust work being done around the world, and to promote role models for younger people. With this award, we will honor work that impacts society in positive ways, and is consistent with a set of key principles, including non-violence, creativity, courage, and responsibility for one's actions. The award will go to a living person or group engaged in what we believe is extraordinary disobedience for the benefit of society. We're seeking both expected and unexpected nominees.

The German Marshall Fund

The Black Sea Trust for Regional Cooperation (BST) promotes regional cooperation and good governance in the Wider Black Sea region; accountable, transparent, and open governments; strong, effective civic sectors; and independent and professional media. BST defines Confidence Building measures as informal measures designed and implemented by non-state actors that address, prevent, or resolve uncertainties among states or territories. They are designed to prevent wanted and especially unwanted escalations of hostilities and build mutual trust.

Confidence Building projects may focus on the following areas:

***approaches** to build and/or strengthen local, regional and national capacities to promote coexistence and reintegration;*
***approaches** to reconciliation and peace that incorporate experiences from history and convey them to the younger generation;*
***arts** and cultural work to advance peace and reconciliation;*
***approaches** to civic education or active citizenship;*
***the** role of media in overcoming stereotypes;*
***cross-border** initiatives for youth.*

The Social Innovation Tournament

The Social Innovation Tournament recognises and supports the best European social entrepreneurs. It is organised in a different country every year to reward and sponsor European entrepreneurs whose primary purpose is to generate a social, ethical or environmental impact.
Four prizes are awarded by a jury of specialists from the academic and business world: general category and special category first and second place prizes of EUR 50 000 and EUR 20 000 respectively.
Projects are typically related to combating unemployment, marginalisation of disadvantaged communities and promoting access to education in a wide range of fields, from education and health care to the natural or urban environment, using new technologies, new systems, and new processes.

Reach for change

We believe that if you have a strong enough passion and a good enough idea you can change the world. We also believe that in order for that to happen, you will need support. You will need someone to believe in your idea and to help you take the first steps.

This is where we come in. We find exceptional social entrepreneurs – people that are passionate about creating a better world for children and who have an innovative idea on how to do it. And then we help them succeed. We support them from idea to impact. We call the people that we select our Change Leaders, and we support them through an incubator program.

Tandem for Culture

Tandem Europe – Social Innovation is a cross-border learning and doing programme. During their Tandem year, cultural-social initiators from all over Europe kick-start long-term collaboration with a partner from abroad. Together, they design and test new ideas by realizing a pilot project for their own local environment. Tandem offers the space to develop real and meaningful visions by prototyping project ideas and building on new cross-border working relations. It establishes peer-to-peer contacts that are based on mutual societal concerns or cultural and artistic interests. Tandem participants share their enthusiasm for creative discovery across European borders, cultures, sectors and artistic disciplines and embrace the joy of making new things happen together. They join a growing community of cultural-social innovators who are deeply engaged in shaping a common European future, both transnationally and bottom-up.

Academies | Programmes | Incubators | Pre-accelerators and Accelerators for Social Startups

Most of the programs funding initiatives for social enterprises, provide training and mentorship with plenty of networking opportunities that can enhance your capacity in various directions. However, depending on profile of your organisation and specific needs you have, it is good to look for specially designed courses, academies and incubators that exist in your own country. In different stages of development of your social business, the organization meets different challenges - e.g. development of business plan, validation of business model, public speaking and storytelling (motivational talks), fundraising, team management, financial management for non-specialist, etc. Some of these programs require payment. In recent years, the business has identified existing niche on the market and the need to provide trainings in skills and knowledge tailored to answer the demand of the non-governmental organizations and social businesses. We recommend you carefully to assess your needs and and according to the objectives you prospect to achieve, to select the appropriate program.

Who are the partners involved

Ágnes BALÁZSI-PÁL

Ágnes is the general manager of PONT Group since January 2015. She studied business informatics, and had been the portfolio director for Transindex online newspaper for 7 years, working on projects like Transylvanian Databank, Pénzcsinálók.ro online economics newspaper, Think Outside The Box, Com'ON Cluj-Napoca and KREATÍV KOLOZSVÁR

András FARKAS

András Farkas is the co-founder of PONT Group and worked in several civic projects in the past. He is one of the initiator and the coordinator of the successful bid of the city of Cluj-Napoca for the European Youth Capital title in 2015. He is now the Secretary General for the Network of European Youth Capitals and also the Secretary General of the Romanian Youth Capital national programme.

Liliya HARIZANOVA

Liliya Harizanova is a freelance graphic designer, author and illustrator of two books for children. She has 2 years of experience in the establishment of a Democratic school in Bulgaria. Currently she is a mentor and team member at the Social Teahouse in Varna, Bulgaria. During the last year Liliya is also working as regional coordinator at The Duke of Edinburgh's International Award.

Maya DONEVA

Maya Doneva is a 32 year old Bulgarian professional in the field of social entrepreneurship and non-formal education.
Maya has a MBA from Cardiff Metropolitan and bachelor in Journalism. As a freelance trainer she designs training mainly for human rights activists in the field of lobbying and advocacy. She is part of the pool of trainers of the European youth Forum. Maya was part of the winning team of Varna's bid for European youth capital 2017 and co-developed the theme for social innovation and youth entrepreneurship She is also the co-founder of a social start up - The Social Teahouse.

Stoyana STOEVA

Stoyana Stoeva is MA in Philosophy, freelance consultant and since 2014, a co-founder and partner of the Social Teahouse in Varna, Bulgaria.
Stoyana has more than 5 years experience as volunteers for people from marginalized groups, and 3,5 years in volunteering for children and more than 10 years experience in non-governmental organizations. She is also one of the authors of Social innovation concept of Varna’s candidacy for European Youth Capital 2017, which won the notable title for the city. In recent years she has also been responsible for the active participation of Varna EYC2017 at international level and participation of the city in the Network of the European Youth Capitals.