

The Social Start-up Guide in brief



Associazione New Horizons
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INTRODUCTION

The Context

This Guideline is based on “*The Social Start-up Cultivators*” project, a short-term Structured Course for 8 Adult Learners that took place in Kalamata, Greece in August-September 2021.

The course was designed to offer multiple solutions and knowledge to the participants, concerning the social entrepreneurship in the rural areas.

This Guidelines, therefore, will be derived from both the Theoretical and Practical essence collected from the Course.

It is useful for any entrepreneurs-to-be or mentors who wish to support someone with entrepreneurial venture in mind.

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A Social Entrepreneur's baggage

- Deep understanding of the “theory of change”
- Understanding of the impact-centered business model and human-centered design
- Possession of the sense of initiative
- Knowledge of the principles of social business
- Strong management competences
- Ability to perform needs analysis (SWOT) and community solutions

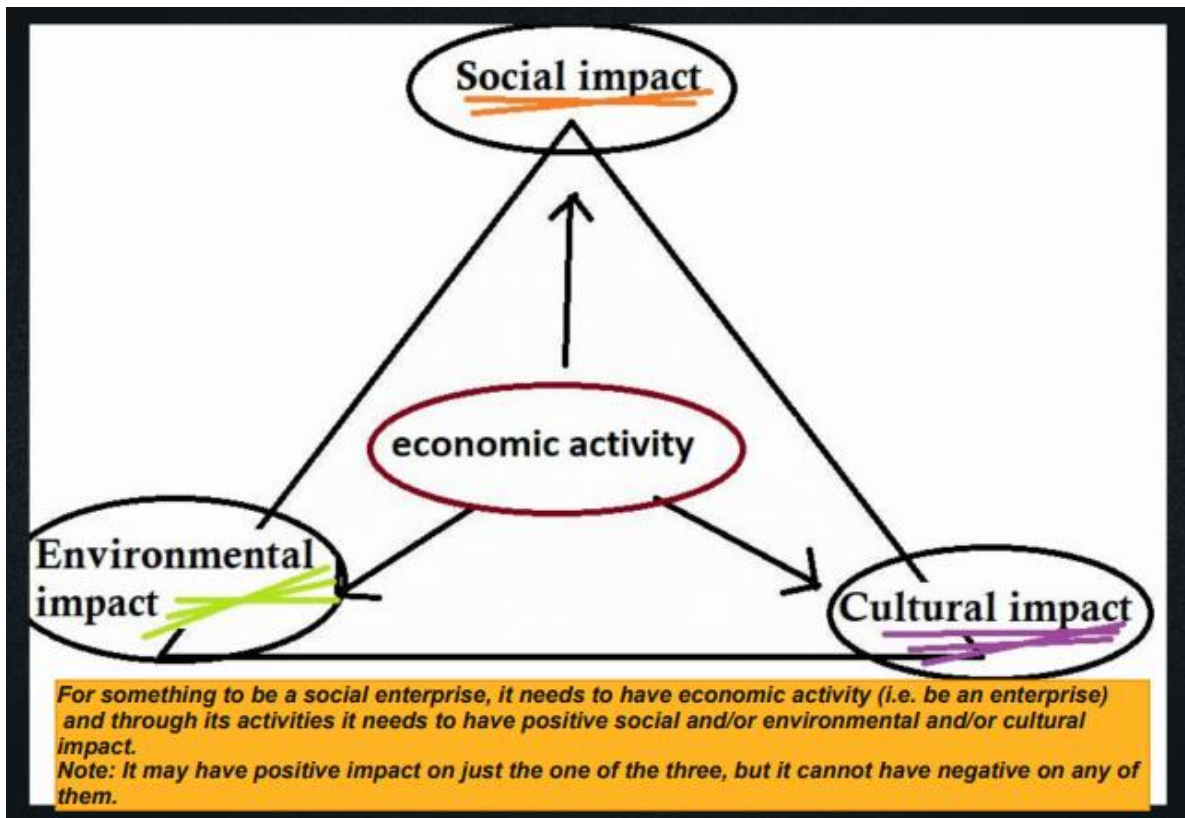
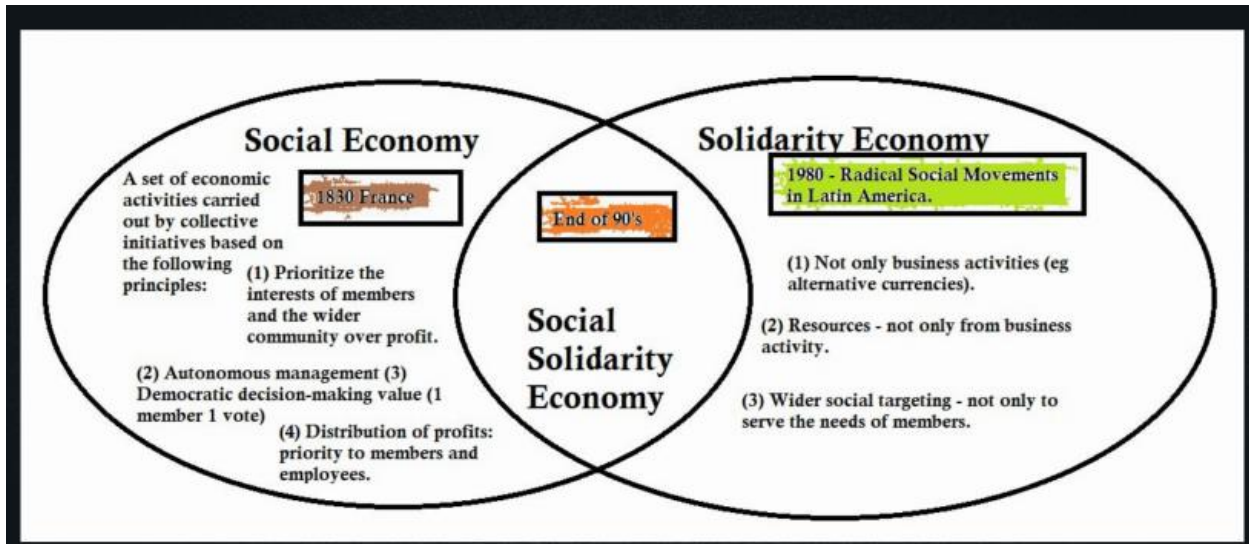


Design a social enterprise – Where do we go from here?

“Social entrepreneurs do not follow in someone else’s tracks; new solutions require forging your own path!”



Legal framework: What is a Social Enterprise?



Design a Social Enterprise

Designing a Social Enterprise - need to have in mind

- Social benefit: serving social needs
- Social innovation: identifying new social needs or producing goods / services in a new way.
- Social justice: facilitating access to social groups with limited economic opportunities.
- Social participation: job creation for social groups who have difficulty finding work.



How to come up with an idea

- Suddenly, while having a conversation with the group...
- Space Created - Closing enterprise in the local community
- Idea transfer from another area
- Idea transfer from another sector
- It always starts with an idea that meets a social need and has the potential to transform into a viable business.



Essential Questions to ask



Why? Who,? Where? What? When? How?

- Why do you want to start something and Why SE?
- Who? How do you choose your partners and how do you work together? (communicate, reach decisions decisions etc). Who will it address?
- Where? Where it will best fit? What are the characteristics of the area?
- What? What will be the economic activity and what will be the impact?
- When? What is interesting about this period?
- How? How will you reach your goals? (both financial and social?) What tools can you use for that?

Where - Building my village...

- Which are the characteristics of the area you chose?
 - Who lives there?
- What kind of services/products are offered in this area?
 - What do you think this area needs?
 - Difficulties?
- Are there conflicts inside the communities?
- Why did you choose this area?
- What is your relationship with this area?

How to establish social entrepreneurship?

The 1st Step: MOTIVATION

A clear motivation why I want to create a social entrepreneurship? Can I identify the social goal I wish to achieve? Can I set out my goals in hierarchy? Do I have a potential business idea? Is my business idea fit to achieve my social purpose?

Why is it important to understand your motivation?

Social entrepreneurship development requires a clear motivation. Basing your work on principles of voluntary work and community values means having to consider many different factors.

Often there is the factor of the lack of resources. So the decision to set up a social enterprise can arise from the need for financial resources to fulfil your social purpose. However, it is worth remembering that this requires concentration, hard work, and determination.

That is why in the beginning it is essential to answer the question: what is my “driving force” behind the choice to create, namely, a social enterprise?

Three main questions to be answered at this stage:

1. *What is my motivation to start a social enterprise?*
2. *Can I set out my goals in hierarchy?*
3. *What social change do I seek?*

The 2nd Step: PREPARATION

At this stage, you have to assess organisational culture. Here we recommend to pay attention to three main aspects:

Organisational Culture Assessment – how is my organisation functioning now?

Feasibility Assessment – the organisation’s capacity: the available skills and opportunities.

Risk Assessment – planning in case of risk and preparation for attracting investments

Organisational Culture Assessment should make you think about:

What are the values of your organisation? How could they be implemented?

What are the principles on which the activities of your organisation are based?

Who makes the truly important decisions?

How does your organisation respond to change?

How are your employees involved in the planning of the organisation’s activities?

How has the organisation been evolving so far?

What is the available useful experience which could help develop social entrepreneurship?

What, do you think, will be the main challenges in the development of a commercial business, considering your current business activity?

What changes are needed for the successful start of your social enterprise?

What kind of leadership and management is the trademark of your organisation?

Feasibility assessment requires to think about:

What is the purpose of the organisation?

What are the current activities? How successfully are they being carried out now?

What are your skills in the organisation?

What experience does the organisation have?

What are the available resources?

How does the creation of the social enterprise relate to the strategic plan?

How do you find the current activities?

Are you planning new ones?

Do you have the support of the Council and key employees to the changes needed to set up a social enterprise?

Which statutes, procedures and systems will you need to adjust for a smooth transition to being a social enterprise?

Which are the available resources that could be allocated to the social development of the business?

What kind of experience do you need so that you could develop the social enterprise?

What additional resources and support do you need to develop the social enterprise?

A Powerful Tool: SWOT

SWOT analysis provides a wide range of organisation assessment opportunities to align internal and external environmental factors.

SWOT analysis helps understand:

1. *how to get the best out of your strengths;*
2. *how to correct weaknesses in doing so;*
3. *how to use your strengths to reduce threats;*
4. *what weaknesses need to be eliminated to reduce threats.*

The 3rd Step – EVALUATION

How does one identify a good business idea?

There are different ways for a business idea to develop:

Innovative product (or business model) – has the potential to change the market, is often associated with technology and scientific discoveries. A change in circumstances, which opens a new niche in the market, as, for example, the creation of the Internet did; it gives rise to a new type of e-business. Of course, you are trying to offer a unique product or service, but the likelihood of a developing completely new product is low.

Replication – this method will help you to take advantage of the experience of other organisations by applying social entrepreneurship experience of others to develop your idea. You can rely on the expertise of other organisations and the lessons of success, but it is important to take a look into the local market.

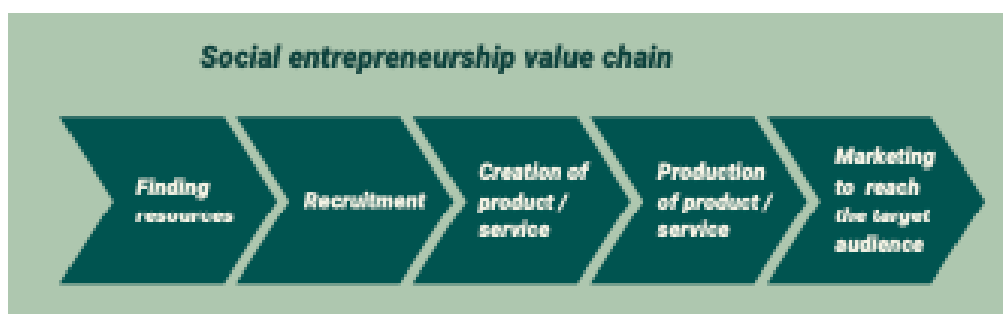
Franchise – this is a specific business concept. Franchises are owned by a particular entity, buying one means buying the right to use a particular brand or an already tried and tested business concept and working methods. So you can use the established business format, the brand, and the sponsor system for business activities.

Questions that are worth answering:

- *Which of the most important external factors will have an impact for your organisation / idea?*
- *In what kind of risk do these circumstances put your organisation / idea?*
- *What are the possibilities that you could take advantage of to find a niche in the market?*

The 4th Step: SOCIAL BUSINESS MODEL

The business model – it is business logic, explaining how an organisation creates, delivers, and captures value. Social entrepreneurship creates double value: the economic value of the business and social impact value.



STEP 5: COMMUNICATION

You have a story. You are not just a business, you tackle sensitive public issues, which are likely of interest to many people, including your clientele. Social entrepreneurs have a clear motivation for starting their business, often having to do with personal stories.

It will be easier if you answer the following questions:

What is your company's mission?

What are the key attractive features of your services / goods?

What values and benefits would you like to be associated with? What are your three main competitors?

What are the aspects of their image you like?

What you do not like in their image? Where does your uniqueness lie?

Why should customers choose your product / service?

Does your company have a unique story behind your name or logo?

What 5 adjectives best describe your company? What is your ideal client? Describe them in five adjectives.

What is the primary message you want to convey to your customers?

Which company's image inspires you? Why?

STEP 6: IMPACT MEASUREMENT

Impact measurement reasons

Confirmation that the business is moving in the right direction. You, your colleagues and partners want to know if you reach your objectives and whether the work will pay off. This is the major motivator in social entrepreneurship

1. *The purpose of the organisation and the relevance of the addressed problem.*
2. *Describe the beneficiaries (if possible, name the total number of beneficiaries):*
3. *Describe the organisation's activity/activities:*
4. *What are the benefits to the state (savings/earned money) from the activities you organized (you can give an example related to one of the beneficiaries):*

STEP 7: START!

Good luck!



Examples of successful Social Enterprises

Staramaki: *Natural Drinking Straw*



BIOSCOOP: *non-profit cooperative organic grocery store*

