

ReinFORCE SOCIAL Entrepreneurial Spirit through setting up Innovative Support Structures in the cross-border Territory „SOCIAL FORCES”

D.2.8.2: Joint Opening Event

REPORT

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Faculty of Economics and Social Sciences, University of Plovdiv “Paisii Hilendarski”

The Social Entrepreneurship: Regional cases in Greece

Mapping of Social and Solidary Economy in the Region of Eastern Macedonia and Thrace and in the Region of Central Macedonia is based on:

- 1) Data collection from secondary sources, relevant to the review of the Social and Solidary Economy sector in Greece
- 2) Data collection from primary sources (field research)

1. Research Methodology

The survey conducted with an appropriately designed structured questionnaire for each of the 2 categories of participants. Special attention was given to the questionnaire design with the use of “structured” and “unstructured” type of questions (dichotomous, multiple choice, Likert & Rating scales).

The questionnaires were completed by self-completion method, by e-mail or online on google docs. Participants were asked to confirm the receipt of the questionnaire and there was a reminder for its completion as well.

The survey was completed with data entry and statistical analysis of the answers, with evaluation of the results and results analysis for each target group.

2. Survey Results for Social and Solidary Economy Bodies

➤ Legal form of the sample: 82.9% of the bodies are Social Cooperative Enterprises (SCE); 2 out of 3 bodies were established, in their current form, from 2016 onwards, after the adoption of the new Law 4430/2016.

➤ Active Operation: 53.7% of the bodies were engaged in economic activity immediately after their establishment, while 9.8% made more than 12 months to become active.

➤ Geographic scope of bodies: 43.9% of the Social and Solidary Economy Bodies with head office situated in the examined regions, are active at national range, while the regional unit of Thessaloniki presents a large concentration of bodies.

➤ Number of members: 83% of the bodies employ up to 10 members
Total Mode=5; Men's Mode= 3; Women's Mode= 2

➤ Bodies' characteristics: The majority of the bodies are formally established and are not an informal group. In 2 out of 3 bodies, democratic control procedures are applied by the members. Commercial activity accounts for almost twice as much of the no-money activity. 1 out of 3 has a defined social, community and environmental benefit. 1 out of 3 has financial independence from the state.

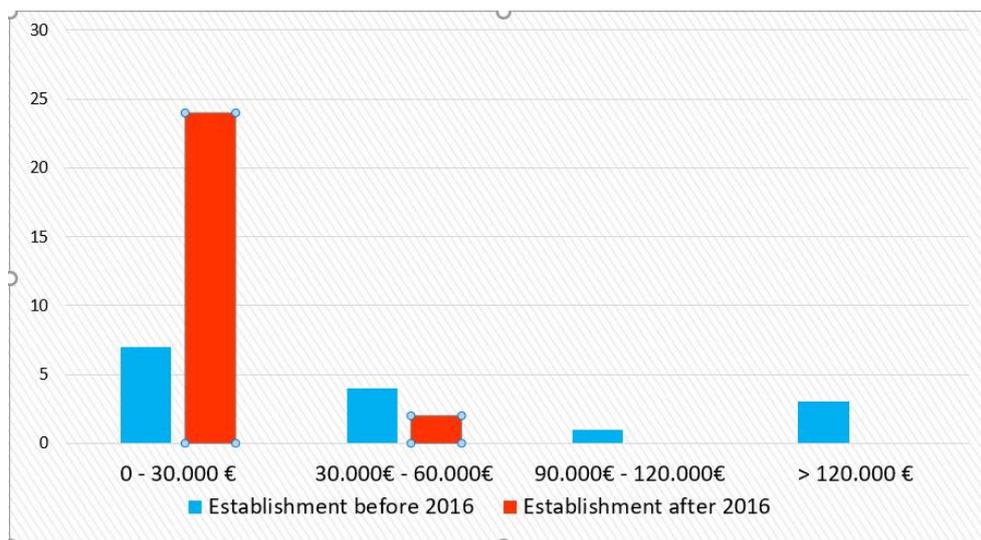
Internal practices they apply: The five most frequent practices are: participation of members in the body's activity; collective way of defining roles and projects; decision-making by the Board of Directors; decision-making through the General Assembly; regular meetings of all members. These practices

reflect the existence of members equality and their active participation in decision-making and other administrative activities of the body.

The top five activities are: Food Processing & Commerce, proving the beginnings of the social economy in the institution of agricultural cooperatives; Education services; Cultural activities; Catering services (cafes, restaurants); Business consulting / support

➤ General objectives: The five main objectives are: 1) addressing economic exclusion, 2) promoting a different working model, 3) protection of the environment, 4) access to quality products / services at fair prices 5) creating employment opportunities (for members too).

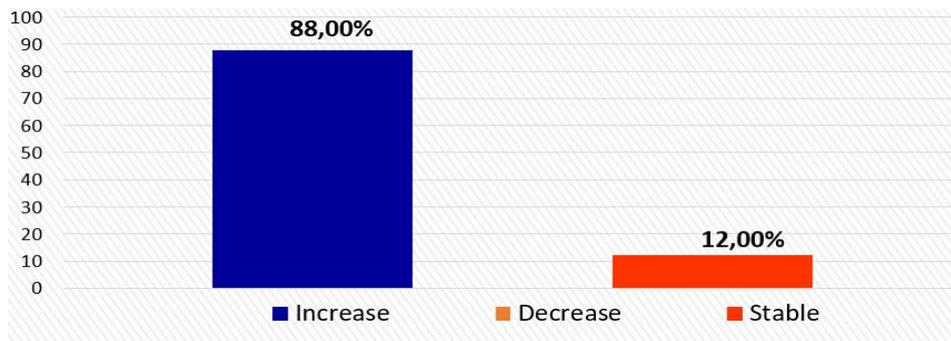
➤ Annual turnover in 2017: **0-30.000€** for 75,6%



➤ Economic Profit or Loss: More than 50% of the bodies have suffered a Loss.

	Bodies	Percentage %
Profit	15	36,6%
Loss	23	56,1%
No change	3	7,3%
Total	41	100%

➤ Prediction of change in annual turnover:



- Ways of profit exploitation: According to the responses profits lead to creation of new jobs (52.5%) and investments (42.5%).
- Main sources of revenue: The three main sources of revenue are: transactions with the public, transactions with the private sector and transactions with the public sector.
- Partners: The bodies with which they cooperate most, in descending order are: regions and municipalities; civil society organizations; universities; trade associations; professional associations; international organizations; trade unions.
- Human Resources: 80.5% of the bodies employ up to five employees. The average number of employees: full time - 2 employees; part time - 4 employees. Average number of men is equal to the average number of women employees (mean = 3). 63.4% of the bodies expect an increase on their employees number in the tax year 2018, while 34.1% of the bodies expect this number to remain stable. The majority of the bodies employ up to 5 volunteers.
- Benefits for vulnerable social groups: The long-term unemployed with a participation rate of 58.5% benefit from the bodies activities. This percentage is significantly higher than all the other groups having a participation rate between 2,4% - 14,6%.
- Measuring social impact: Only 24% of the bodies use techniques and tools to assess social impact. Among the tools, the most frequently mentioned are questionnaires in physical and electronic form.

➤ Participation of bodies on a network: 2 out of 5 bodies are members of one or more networks. The most frequently mentioned networks are: the Central Macedonia Network, the East Macedonia and Thrace Network, the Panhellenic Federation of the Social Cooperatives of Limited Liability (PO.Koi.S.P.E.), the Pan-Hellenic Network of SSE Cooperative Initiatives, the observatory of Civil Society Organizations in Central Macedonia, the network “Alliance for Entrepreneurship and Development in Western Greece”.

➤ Main benefits of networking: The main benefits are presented in descending order are: access to useful information, learning from other Social and Solidary Economy bodies and other bodies / organizations, personal support, building relationships, business advice, support promotion of policies, economic and business development.

➤ Basic principles for choosing suppliers and partners: Among the most frequent answers (> 50% of respondents) is: high quality of their products / services, fair prices for producers and consumers, favourable pricing policy, local products.

➤ Main obstacles for the bodies: - ensuring financial resources the institutional and legislative framework; the lack of awareness of Social and Solidary Economy enterprises in Greece; sponsoring

➤ Bodies progress: The majority of the bodies will increase their existing activities over the next three years. A significant percentage of bodies will create new activities. In descending order, it is important to: attract new customers, develop new products or services, attract investments or financial resources, extend to new geographic areas.

➤ Development of the Social and Solidary Economy Bodies in specific sectors: The most critical sectors in terms of the opportunities they offer for the development of Social and Solidary Economy Bodies are: alternative - or not, tourism; culture production combined with exports, catering services, etc.

➤ Contribution of state policies to the development of Social and Solidary Economy Bodies: Respondents, having knowledge of the current legal framework, consider that the degree of contribution of state policies to the development of Social and Solidary Economy Bodies and social enterprises is moderate.

➤ Main challenges for the development of Social and Solidary Economy Bodies in their area or industry: Lack of awareness of the relevant actors; Access to adequate funding; The lack of a cooperativeness.

3. Survey results in Organizations that promote Social and Solidary Economy Bodies

➤ Geographic scope of bodies: 5 organizations are active at regional range and specifically in the Regional Unit of Thessaloniki; 3 organizations are active at national range.

➤ Support services to promote Social and Solidary Economy: Services offered are as follows: actions to raise awareness of the public and potential social enterprises; education and training programs; business plans for social enterprises; support access to funding sources; information services to stakeholders; approval of incorporation of Social and Solidary Economy Bodies.¹

➤ Critical issues for the development of Social and Solidary Economy:

¹ The last service is conducted exclusively by the Register Department of Social and Solidary Economy Bodies which has an institutional role for their establishment

	Responses	%
Funding of Social and Solidary Economy	5	62,5%
Exploitation of European funds related to Social and Solidary Economy	5	62,5%
Institutional framework for Social and Solidary Economy	4	50,0%
Networking/ Cooperation tools (i.e. <u>clusters</u>) of Social and Solidary Economy	3	37,5%
Role of State and Local authorities to Social and Solidary Economy	2	25,0%
Business Models & Social Entrepreneurship Opportunities	2	25,0%

➤ Social and Solidary Economy as an alternative choice of employment: The ability of the Social and Solidary Economy sector to be an alternative choice of employment seems to be insignificant, and that is also confirmed by the average of the answers of organizations which is equal to 2.63 (price tends to 3) and the mode which is equal to 3.

➤ Contribution of the institutional / legislative framework to the promotion of Social and Solidary Economy: The contribution of the institutional and legislative framework is considered to be insignificant, and that is confirmed by both the average which is equal to 2.63 (price tends to 3) and the mode which is equal to 2.

➤ Possibilities for further development of Social and Solidary Economy Bodies in the area: Possibilities for further development of Social and Solidary Economy Bodies in the regions of Eastern Macedonia-Thrace and Central Macedonia seems to be remarkable.

➤ Sectors with the strongest potential for the Social and Solidary Economy Development: Agro-food (agriculture and food production); Livestock farming; Processing; Tourism; Education and training; Consultancy services; Social care for vulnerable social groups; Culture; Health services

➤ Proposals for improvement of the institutional / legal framework of Social and Solidary Economy: 1 out of 2 bodies declare that more flexibility is

needed, especially in the distribution of profits and reinvestment restrictions, and that it is important to develop a framework for measuring Social Impact.

➤ Proposals for improvement of the institutional / legal framework of Social and Solidary Economy: Other suggestions: the need to simplify the legislative framework, the integration of Social and Solidary Economy as an educational subject in formal and non-formal education and in vocational training, implementation of policies for the exploitation of Public Contracts related to social issues, review of the evaluation process and introduction of more credible "control mechanisms".

➤ Benefits from the participation of Social and Solidary Economy Bodies on a network: The most important benefit is the access to useful information. Also: learning from other Social and Solidary Economy Bodies; learning from other bodies / organizations as the second and third key benefit respectively.

4. Results of common questions between Social and Solidary Economy Bodies and organizations

➤ Obstacles faced by Social and Solidary Economy Bodies: According to organizations, the most important obstacles faced by the Social and Solidary Economy Bodies are the following: 1) the lack of entrepreneurial skills 2) the lack of awareness for Social and Solidary Economy Enterprises in Greece 3) ensuring other funding sources

➤ Contribution of state policies to the development of Social and Solidary Economy Bodies: Organizations that participated in the survey seem to agree with the bodies that the contribution of state policies to the development of Social and Solidary Economy Bodies is insignificant, and that is confirmed by the average, which is equal to 3 and the mode value which is equal to 2.

5. Concluding about The Social Entrepreneurship: Regional cases in Greece

➤ Social Economy: significant development potential in the Regions of Central Macedonia and East Macedonia and Thrace
The main sectors that enable social economy activities : agro-food, tourism – culture.

➤ Existing Obstacles and removal proposals: 1. inadequate business skills - inclusion of SE as an educational subject in formal and non-formal education and in vocational training 2. lack of awareness of Social Enterprises in Greece 3. Lack of funding for Social Enterprises - use of Public Contracts of Social Reporting.

I. The Social Entrepreneurship: Regional cases in Bulgaria

The main objective of the survey is to present the socio-economic environment ensuring social entrepreneurship at regional, national and EU level. Revealing the positive aspects, the problems and trends in the social economy sector in recent years in the EU and Bulgaria, outlines the possibilities for its future development and presents the positive practices and their impact on the target groups.

1. Research Methodology

➤ Cabinet Survey - review and secondary analysis of existing research data, statistical analysis, and document analysis

➤ Field Survey - provides information on social entrepreneurship;

➤ Questionnaire - provides information through questionnaires according to the specifics of the target groups;

➤ Statistical methods, including: descriptive data analysis method, graphical method for data analysis, multivariate questionnaires methods. SPSS statistical software is used;

➤ Conduct of focus groups - exchange of views among the participants about the current and emerging trends in the sector of the social economy.

➤ Analytical methods - primary review and secondary analysis of data from existing studies, analysis of statistical information, documents.

2. Survey Results

- The social enterprises are becoming a suitable form for integration of people with disabilities.
- The social enterprises depend on both the established practices and the laws of the individual countries as well as the EU policies;
- EU Member countries make a major step forward in the field of the social economy and its development.
- There is great public and private support for the social enterprises and the opportunity for funding their activities.
- The tax incentives for stimulating the social enterprises also affect their sustainability, which in turn enables them to work in the long run to meet the needs of the target groups targeted by their practice.
- In addition, social enterprises use the opportunity to generate additional funds through economic activity.
- Social enterprises in Haskovo region are very different in terms of size, turnover, sectors, number of staff, revenues and profits.
- The solidarity economy as a whole is well developed: there are a lot of different domestic practices, goals, methods, the involvement in regional, national and international networks, quality assessment, suppliers' assessment, participation in social groups, etc.
- There is also established practice for funding, joint action with a number of partner organizations of an institutional and private nature.
- A disadvantage can be the unbalanced recognition of target groups. A number of groups are being targeted by many businesses of a different kind of activity, while others experience a shortage of services.
- Overall, despite the traditionally sceptical opinion of state intervention, half of respondents perceive positively its role.

➤ When assessing the effects of the functioning of social enterprises, it is clearly that the positive effects are significant. The role of social enterprises in promoting employment among disadvantaged groups is high.

➤ The momentary picture of socio-economic development, incl. the development of social enterprises in Haskovo region, shows complex processes with difficult measurable effects.

➤ On the basis of the dynamics of the surveyed indicators, it can be concluded that Haskovo's contribution to the development of the national economy is limited.

➤ There is a low absorption of EU funds; low quality and quantity of the labor force due to the rapid aging of the population.

3. *The Social economy in Bulgaria has several negative characteristics*

➤ It is still a poorly developed sector despite long-standing traditions in the cooperative movement;

➤ Specialized legislation has not yet entered into force;

➤ Access to preferential funding for social enterprises is also limited;

➤ People with disabilities still has lack of opportunity for professional and social realization;

➤ There are no detailed analyses and data about the state of the sector in our country and its real potential.

4. *Overall conclusion*

➤ Opportunities for the development of the sector and social enterprises are mainly related to more active public intervention, consisting in the effective implementation of an adequate legislative and institutional framework for the sector.

➤ The institutional and legal environment has been defined by all institutions as a major obstacle to the development of social enterprises but has also been identified as a key measure to promote the sector.

➤ In addition, public policies are identified as a key factor that is currently not effective as needed.

➤ There is more need for revision of the local and national policies, also a change in the institutional local public structure and a change in the legislative framework at national level.

References:

1. Presentation by Plovdiv University "Paisii Hilendarski", Faculty of Economics and Social Sciences, Social entrepreneurship in Bulgaria, Komotini, 2018
2. Presentation by University of Macedonia, The Social Entrepreneurship: Regional cases in Greece, Komotini, 2018