

# "INNOVATIVE APPROACHES FOR FOSTERING SOCIAL ENTREPRENEURSHIP USING AGILE METHODOLOGY"

# Report

# **Abstract**

The report provides comprehensive findings and conclusions regarding the social entrepreneurship ecosystem and youth in Bulgaria, Greece, Latvia, Cyprus, and Poland. It also offers valuable insights into the utilization of Agile learning methodologies as a means to foster social entrepreneurship among youth. The report concludes with actionable recommendations for policymakers containing a wealth of resources focused on social entrepreneurship and social innovation for the youth.





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# 1. INTRODUCTION

The changing job market, driven by digital tools, is reshaping the requirements for current and future employees. This unpredictability, along with the impact of the COVID-19 pandemic, has led to increased youth unemployment in the EU. In February 2023, this rate reached 14.5% of young people aged up to 25<sup>1</sup>. However, the social economy, comprising 2.8 million entities in the EU and accounting for 6.2% of employment, has demonstrated resilience during crises.

Social economy organizations provide crucial services that mitigate the impact of crises, particularly for vulnerable groups. Additionally, their inclusive governance structures, community involvement, and diverse resource mobilization contribute to their ability to overcome difficulties. Harnessing the potential of social entrepreneurship, especially among young people, can address key social objectives like employment creation, poverty reduction, and inclusion.

Social entrepreneurship has gained significant prominence on the EU political agenda as a means to address both youth unemployment and social exclusion, while also fostering innovation among young individuals<sup>3</sup>. Numerous studies indicate that today's youth are highly motivated to drive positive social change. Therefore, social entrepreneurship holds immense potential in mobilizing young people to actively participate in initiatives aimed at achieving social objectives, such as creating employment opportunities and promoting inclusion and integration.

On the other hand, social entrepreneurship as a skillset can empower youth to overcome challenges in the modern job market. By combining an entrepreneurial mindset and social impact, young individuals can create their own opportunities and contribute to solving societal problems. Social entrepreneurship encourages innovative thinking, creativity, and problem-solving abilities, enabling youth to identify gaps in the market and develop unique solutions. It also fosters adaptability and resilience, as social entrepreneurs often face complex challenges and uncertain environments. Additionally, it cultivates collaboration and networking skills, allowing youth to build strong connections and partnerships. By leveraging their skills in this particular area, young individuals can not only find purposedriven work but also make a positive impact on society while navigating the challenges of the job market.

<sup>&</sup>lt;sup>1</sup>Youth unemployment rate in EU countries August 2023. 2023, October 5 . Statista. https://www.statista.com/statistics/266228/youth-unemployment-rate-in-eu-countries/

<sup>&</sup>lt;sup>2</sup>Social economy in the EU. (n.d.). Internal Market, Industry, Entrepreneurship and SMEs. https://single-market-economy.ec.europa.eu/sectors/proximity-and-social-economy/social-economy-eu\_en

<sup>&</sup>lt;sup>3</sup>Employment and entrepreneurship | European Youth Portal. (n.d.). European Youth Portal. https://youth.europa.eu/strategy/employment-entrepreneurship\_en



The principle of Agile reflects the modern way of working and olers numerous benefits, particularly in the context of designing learner-focused, practice-based learning by doing in collaborative environments. Agile methodologies prioritize flexibility, adaptability, and iterative processes, aligning perfectly with the dynamic nature of today's work landscape. When applied to learning environments, These principles enable learners to actively engage in hands-on experiences, fostering a deeper understanding of concepts and practical skills. The emphasis on collaboration enhances teamwork, communication, and problem-solving abilities, essential for success in professional settings.

Agile's iterative approach promotes continuous improvement, allowing learners to incorporate feedback and make necessary adjustments along the way, thus by embracing its principles, learners can cultivate resilience, adaptability, and a growth mindset, equipping them with valuable skills to navigate the ever-evolving demands of the modern job market. Considering all of these benefits, this report explains the reasoning for a novel approach to foster social entrepreneurship among youth through principles of Agile methodology.

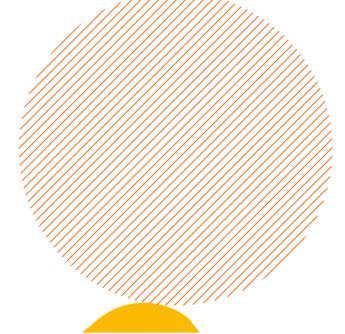
### **ABOUT THIS REPORT**

Based on answers from 224 young people and social entrepreneurs, in this report, we will demonstrate a perspective on social entrepreneurship and youth in five countries (Bulgaria, Cyprus, Greece, Latvia and Poland) and the EU, and try to answer the question - **how can we foster social entrepreneurship among youth through Agile methodology**. The report also focuses on providing conclusions and suggestions for policymakers on local and national levels.

The goal of this paper is to explore and offer novel insights into the ways a modern business approach (Agile) could be used in education and fostering social entrepreneurship based on the needs of youth (concluded in country reports). Subsequently, the data and conclusions will be used to create and polish an online training course that will guide young adults from ideation to the launch of their start-up by introducing Agile methodologies, facilitating a change in perspective towards their positive potential.

### **ABBREVIATION**

Social enterprise(s) - SE'(s)





# 2.COUNTRY REPORTS

Country reports are individual, country-focused reports following the unified structure with the aim of getting a deeper understanding of the specific mechanisms that support SEs but also investigating youth and their role, motivation and current status as part of SE ecosystem.

# 2.1. BULGARIA

# **Description of the ecosystem**

"Thinking in systems and ecosystems is imperative in the Social Entrepreneurship industry that has largely been built in silos."

The current report was written within the "Socially Agile" KA2 project. It will be combined with the findings of other countries in a complete international report, "Innovative approaches for fostering social entrepreneurship using agile methodology," to create a novel online course. Data was collected through desk research, an online survey with ten young people, and an online survey with ten social entrepreneurs from Bulgaria in April 2023.

From the survey, we concluded that the youth believe they can help Bulgaria become a better place to live by supporting social entrepreneurship. They realize that the concept of social entrepreneurship is relatively new in the country and that a lot of work needs to be done to reach the high levels of SE in other EU countries.

Because of the past generation's massive immigration, nowadays, the youth of Bulgaria is considering how they can not just stay and prosper in their country but combine economic interest with social benefits for the most vulnerable amongst us. Therefore social entrepreneurship and the need to be more defined, recognized, and popularised in the country is enormous for the contemporary youth.







The 90s in Bulgaria are marked by a tough transition from a fully centralized government system to a democracy. This transition to democracy and the free market made many people start businesses aiming just for money and fast gains. The sound change is that the youth in Bulgaria want to change that system and normalize social, fully transparent companies that deal with substantial social problems. More and more youngsters realize there is so much more to business than profit and that achieving social change drives and inspires more than just economic gains.

While doing the research for the "Socially Agile" project, we from AAYA realized that the current legal framework in Bulgaria, which is partly related to social enterprises, namely the one concerning specialized enterprises and cooperatives of people with disabilities, is focused on the social inclusion and labour market integration of only one vulnerable group. In other countries, they are not limited to a specific vulnerable group. Still, on the contrary, the support mechanisms provided for social enterprises are accessible to all, regardless of the vulnerable group they work with.

To unleash the potential of social enterprise as a tool for tackling severe societal problems, we propose providing support mechanisms for social enterprises working with different vulnerable groups. Also, if standard rules for social enterprises are adopted as a legal framework, they should reflect this diversity.

Many youngsters support that Bulgaria needs new laws, reinforcements, and legislation on Social entrepreneurship. Pavleta Alexieva says: "In my opinion, we need public authorities, through policies and forms of support, to create conditions where social problems are solved through business initiatives, but within a competitive market where the players are on an equal footing. But for the classic business (one that is created to generate income for its creator), the maxim "I am an employer. Therefore I am a social entrepreneur" or the other rather famous one - "I invented something new/unique that makes life easier for all of us, and therefore I am a social entrepreneur" - is not enough for me. To call itself a social enterprise, a classic business, in my opinion, has to prove and guarantee that solving a problem of societal importance is more important than its owners getting a dividend at the end of the year. And this - in Bulgarian conditions - can only be done by committing oneself to reinvesting the net profit (or part of it) back into the business itself."





Unfortunately, there is no specific data on how many social enterprises are operating in Bulgaria, how many and what groups of people they involve and help, how they develop, etc. There is also no unified methodology for periodic evaluation of the impact of the activities of these enterprises and assessment of their support needs, difficulties, etc.

In the public register, we can see that the registered NGOs, foundations, and associations by 2020 are more than 20,000. The legal environment for NGOs in Bulgaria is deteriorating in 2020, mainly due to ongoing attempts to introduce legal restrictions affecting NGOs. At the same time, the administrative burden for NGOs is increasing due to the requirements adopted in the AML Act during the transition year.

The study needs more precise data on the number of social enterprises in the country. According to the National Statistical Institute, 4,391 organizations self-identify as social enterprises; the 2019 Report for Bulgaria shows 3,674, while only 29 organizations are recognized by the Ministry of Labour and Social Policy and listed in the Register of Social Enterprises as of April 2021. One reason for the discrepancy may be that many social enterprise businesses do not qualify as social enterprises because there is no incentive to do so. "From a pragmatic business perspective, the label 'social' creates more problems than benefits, at least in terms of image," the Reach for Change study said.

The social entrepreneurship sector in Bulgaria is relatively young and small. Most of the country's social enterprises are in the pre-launch and start-up stages of their development. According to the survey, the average period needed for the development of enterprises in the sector is approximately 3-4 years, with the majority of them starting their activities with the help of grant funding and donations.

It is also important to note that NGOs and WISEs, especially those for people with disabilities, are more visible to traditional donors and public authorities. Innovative social enterprises, especially IT ones, must be more visible.

And even though there is a lack of a stable tradition of social entrepreneurship in Bulgaria, young people are increasingly driven towards achieving meaningful social change for the country. The attitude toward NGOs in Bulgaria was highly sceptical for an extended period. The last years mark a shift in perspective, and more and more youngsters are interested in social work.





In 2020, pandemic NGOs were able to offer a broader range of services, e.g., providing information and psychological counselling; providing food and essentials; shopping for older adults; providing protective clothing and hygiene materials; analytical work and advocacy; fundraising and financial assistance for families in need; legal advice; training and online counselling; working with volunteers, etc.

Social entrepreneurship in Bulgaria is about to get increasingly developed and recognized, and more youngsters will enter the sector. To them, Diana Aladzhova offered social entrepreneurs tips for starting and what needs to be known in the current ecosystem in Bulgaria.

Aladzhova advised social entrepreneurs to think of their venture as a business with a cause. "To have a social enterprise, you have to have the business first and then the cause - if the cause is initially, no matter how motivated you are, when the donations run out, and the volunteers don't show up, that will end the project," she said.

She said it is suitable for entrepreneurs in this field to start thinking from the very beginning about what product they are going to create, how they are going to develop it, it is going to be in demand, who is the right market for it, how they are going to have a secure supply chain, how to expand their needs, and not think about these elements piecemeal when they reach the appropriate stage, that is the only way they can have a more sustainable business.

"Many social entrepreneurs start with the mindset of 'I'm not doing this for the money, for profit, I'm doing it because I want to help.' I understand them, but if you want this to be your core business, you have to make a profit. If you're not making money from the business, you can't hire people, and relying on volunteers doesn't work long-term."

The current advice is crucial for developing our Socially Agile training and creating a better ecosystem in Bulgaria, the partnering project countries, and the EU.





# Youth and their willingness to get involved in SE's

Most of the Bulgarian youngsters who filled out the questionnaire stated that traditional working places and hours do not make sense to them, and they are looking for other options for work. They say that the conventional business model could be more attractive and that they are looking for flexible hours, spaces, and jobs.

The youth considers that there are tons of people in this world who constantly complain about things they don't like but do nothing to change them. The communist past in Bulgaria has formed generations of adults who expect the government to solve all their problems while they just whine about how the past was better. And they don't want to live like the previous generation of their parents. Social entrepreneurs are strong enough to face reality and start changing their communities with their own hands and brains- and this is strongly attracted to the youth, who have seen the damage of communism on their parents and grandparents.

All respondents have heard about social entrepreneurship, followed by 45% unfamiliar with SE. Only 10% of the respondents are actively involved in social entrepreneurial activities. Most respondents are familiar with SE through organizations where they have volunteered or participated in various activities.

Choosing to be a social entrepreneur for the Bulgarian youth is also about choosing the person you want to be. You will need to work hard and worry a lot, not only about your problems but about the problems of others. "You'll need to find a suitable business model to ensure your enterprise is self-efficient; you'll face many challenges and obstacles. But you will also be the one who inspires others, a role model, a leader, a game-changer. Going to bed, you won't have to worry about not making an effort or trying enough." states one of the answers

Volunteering is integral to understanding better social enterprises and improving your soft skills to be more suitable for that career path. Namely, through volunteering and different NGOs, the youth can understand more about social entrepreneurship and enter the sphere.





# **Learnings from Existing Social Enterprises**

A set of interviews with the representatives of different social enterprises in Bulgaria was conducted in March 2023. Social enterprises from all spheres and fields took part in the questionnaire. They started their answers with enterprises supporting homeless animals, adopted kids and young adults, to education for deaf people around Bulgaria.

For almost all the interviewed social entrepreneurs, focusing on purpose over profit was a leading force and source of motivation. They also obtain the trait of delaying gratification and love for innovation. The answers showed that social entrepreneurs tend to have vital emotional intelligence and empathy for the problems of others. These traits help them identify the issues they want to fix in society and resonate with them.

Over 90% of the answers showed that excellent business sense is crucial for the enterprise's success. The solutions stated that social enterprises are businesses and require a successful business person with a sound business strategy. They know an opportunity when they see it, can assess whether an idea is viable or not, and they're not afraid to take the risks necessary to succeed. These outcomes prove that there is a more mature and rational side that social entrepreneurs need to consider to bring success to their ideas and that business thinking is crucial for every social enterprise.

Many social entrepreneurs state that they started by just desiring to connect the dots between their hobbies/interests and turn them into a business and viable career path. Redesigning whole industries built to be entirely profit-oriented without any care for people or the environment is a massive stimulus for others.

Creating services and providing safe spaces for the most vulnerable amongst us strongly motivates others. The social enterprise movement is an engine for generating alternative approaches that will lead to a better way of running our society, which is also stated as a reason for choosing that specific path. Getting more people involved in the social entrepreneurship movement, youngsters who are motivated, willing, and able to contribute, can only help and make that movement even more significant.

One of the respondents stated that for them, "Social enterprise has the reaction that, if you can get it right, you can create an organization that is not limited by the number of grants or donations it can attract but only limited by the size of the problem it is trying to solve." That statement shows that the sky can be the limit for social enterprises.



We received the question of how we can learn and prepare for social entrepreneurship: "The more stories you hear, the more you learn and grow as a person, the better able you are to see how your work connects to create change and impact."

There is a lot that can be learned from the experience of social enterprises, and the thing that we need to remember the most is that the rise of social entrepreneurship reflects a growing sense today that many of the most promising solutions to global problems don't necessarily depend on charity, government aid, or foundation grants. They come from individuals at the grassroots level willing to bring entrepreneurial thinking to bear on some of our most challenging social problems.

### **Conclusions**

Considering the answers of our respondents, we can conclude that the success of a social enterprise depends on the following:

The SE manages to cover the annual costs of its activities without human resources. The enterprise still cannot make enough profit to protect the initial investment. The key is combining funding and people employed under different programs. This way, the social projects manage to get funding from donors who give a "breath" of fresh air, and the team can continue with it;

The SE includes Highly motivated people to help their target group.

### Considering the stated answers, the Challenges are:

### When starting:

- No access to seed funding;
- Limited access to specialized training: a) on the subject and b) to develop capacity as entrepreneurs (business skills, enterprise management, etc.);
- Purchase of raw materials this is a micro-enterprise, raw materials are purchased at retail and cost a lot;
- Extremely difficult access to bank loans and credit banks consider NGOs and their guarantees (projects as funding) risky; in practice, there is no possibility of bank guarantees and other support for loans/credit; the team takes PERSONAL LOANS to support the NGO's activities.



### In development activities:

There needs to be more mentoring, space for consultation and space to exchange ideas and information with other NGOs doing similar work. That is why we aim to include such a database in our Socially Agile Training Course Platform, so stay tuned.

The training and marketing strategy received is excellent but not very useful in practice - it does not take into account the local context and difficulties under which the enterprise is developing, next - these documents require periodic updating to reflect changed circumstances, but such engagements require specialist knowledge or resources that the association does not have;

Severely restricted access to a severe market and distribution Lack of support, including finances in business development - there is a longer period to wait for good results, but at the same time, there are ongoing costs, losses, etc.

In general, we can conclude that there is a long way in front of social entrepreneurship in Bulgaria, but the youth is interested in it, making a significant social change and creating a meaningful product - while considering the aspects of finances and not just pure luck and the social part.

All good-hearted people with great ideas need to start and act!





# 2.2. CYPRUS

### INTRODUCTION

Involving youth in social entrepreneurship SE is a strategy that might aid in solving numerous challenges in society, but even more so - equip them with the necessary skills and mindset for the job market or their own SE adventure to stay resilient in the face of an everchanging world. This report is written within the project "Socially Agile" and will be combined with the findings of other countries in an international report "Innovative approaches for fostering social entrepreneurship using agile methodology" to subsequently create a novel online course. The used data has been collected through desk research, an online survey with 27 young people and an online survey with 5 social entrepreneurs from Cyprus, during the interval of February 15th to March 30th, 2023.

# **Description of the ecosystem**

### General description of the ecosystem

Social entrepreneurship is emerging as a transformative concept in Cyprus, reflecting a shift towards a more inclusive and socially conscious approach to business. While profit remains a primary objective for entrepreneurs, there is growing recognition of the importance of integrating social goals and creating positive social impact alongside financial success.

In Cyprus, the concept of social entrepreneurship is still in its early stages of development. As of now, very few social enterprises have been established due to pending legislation. However, progress is being made, as the draft regulations for social enterprises are currently being reviewed by the parliamentary committee on energy, trade, industry, and tourism. Once approved by the House of Representatives, a streamlined electronic registration process will be implemented, enabling interested enterprises to register as social enterprises.

The register of co-operative societies and social enterprises plans to conduct enlightening campaigns and training seminars to raise awareness and provide guidance to the public and interested enterprises. These efforts aim to foster a supportive ecosystem that encourages the growth of social entrepreneurship in Cyprus.

As the social enterprise movement gains traction in Cyprus, it holds the potential to contribute to social development, job creation for marginalized groups, and innovative solutions to societal challenges. By promoting a people-centred approach and combining business acumen with social purposes, social enterprises can play a vital role in shaping a more inclusive and sustainable economy in Cyprus.

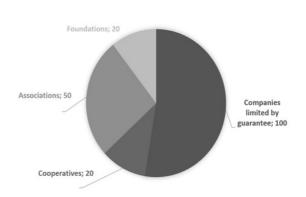


# **Social Entrepreneurship: law & its Characteristics**

Social entrepreneurship in Cyprus is governed by the Social Enterprises Act of 2020 (Law 207 I /2020 and subsequent regulations. Key features of the legislation include:

- Legal entities eligible for registration as social enterprises: private limited liability companies, cooperative companies, and general or limited partnerships.
- Two types of social enterprises: general purpose and social enterprises for inclusion, focusing on social, cultural, and environmental activities, and promoting social inclusion, respectively.
- Requirement for social enterprises to generate over 70% of their revenue from business activities.
- Emphasis on entrepreneurial, accountable, and transparent management, with stakeholder engagement.
- Allocation of profits towards social objectives: 80% for general purpose social enterprises, and 40% for social enterprises for inclusion.
- Fair remuneration policies, limiting senior manager's salaries and promoting income equity.
- The Cooperative Societies Service (SCS) oversees social entrepreneurship matters in Cyprus.

The establishment of social enterprises in Cyprus is pending final regulations and approval by the House of Representatives. The Social Enterprises Act provides a robust framework for fostering a vibrant social entrepreneurship ecosystem in the country.



As the sector is still in its early stages of development, there have been no identified efforts by the government, academia, or experts to measure and analyze social enterprises comprehensively.

Despite these limitations, a rough estimate has been undertaken to identify entities that can be considered de facto social enterprises. While this approach provides a preliminary understanding, it is important to recognize the need for further research and the establishment of a comprehensive legal framework to gain more accurate insights into the characteristics and size of social enterprises in Cyprus.



# **Support systems and mechanisms**

In Cyprus, support systems and mechanisms for social enterprises are being developed to create a conducive environment for their growth. The Office of the Registrar of Cooperative Societies and Social Enterprises collaborates closely with relevant government departments to introduce incentives aimed at assisting social enterprises. These incentives include tax breaks, sponsorships, consultancy services, and training services for people with disabilities, among others.

To facilitate the establishment and operation of social enterprises, the Social Enterprise Grant Scheme has been introduced. Appropriations have been allocated in the budget of the Cooperative Societies Service for 2023 and the Medium-Term Financial Framework for 2024 2025. The scheme provides grants of approximately EUR 15,000 per enterprise, covering the costs associated with preparing the necessary data and documents for registration, such as consultancy services and legal fees. Additionally, it may cover part of the initial operating costs.

The Ministry of Energy, Trade, and Industry holds the policy responsibility for social entrepreneurship in Cyprus. The social economy is also a priority at the European Union level, as demonstrated by the European Commission's Action Plan for boosting the social economy and creating jobs. This plan, which was welcomed by EU Member States including Cyprus, aims to promote the social economy's significant contribution to employment and GDP. Approximately 2.8 million social economy entities operate in the EU, generating over 13 million jobs.

In 2018, the Council of Ministers approved an Action Plan for the development of a social enterprise ecosystem in Cyprus. The Social Enterprises Law, which came into force in December 2020, establishes the framework for registering social enterprises in the relevant Registry, provided they meet the specific conditions.

In conclusion, social entrepreneurship in Cyprus is still in its early stages of development, with no legal framework specifically in place for social enterprises. As a result, precise statistics regarding their size are not available. However, efforts are underway to establish support systems and mechanisms for social enterprises, including the Social Enterprise Grant Scheme and collaborations between the Office of the Registrar of Cooperative Societies and Social Enterprises and relevant government departments. The Ministry of Energy, Trade, and Industry plays a key role in shaping social entrepreneurship policies, while the European Commission's Action Plan for the social economy highlights its importance at the EU level. Despite the current challenges, there is a growing interest in promoting social entrepreneurship, as demonstrated by the upcoming event focused on establishing an ecosystem for supporting social enterprises in Cyprus. With ongoing developments and support, the social enterprise sector in Cyprus has the potential to make a significant impact on social and economic issues in the country.



# Youth and their readiness/willingness to Get Involved in SE

# **Demographic Data**

In our survey, we collected data on various demographic factors and the occupational status of the participants. The age distribution showed that 12 individuals were in the 18 24 age group, representing young adults, while 15 respondents belonged to the 25 31 age group, indicating participation from individuals in their mid to late twenties. This diverse age representation enriches our understanding of different perspectives and experiences.

Regarding gender, the survey included 14 female respondents, 12 male respondents, and 1 non-binary respondent. This gender diversity emphasizes our commitment to inclusivity and ensuring that all gender identities are represented and respected.

In terms of geographical location, the participants were spread across different areas of Cyprus. 6 respondents were from the capital city, while 14 were from other cities. Additionally, 1 participant resided in a rural area, and 6 participants came from towns. This geographic diversity provides a broader perspective on the insights gathered.

The occupational status of the participants revealed a diverse mix. 10 respondents were employed, indicating their current work engagements. Another 10 participants were students pursuing higher education, while 7 individuals identified themselves as unemployed, indicating their active job-seeking status.

The survey data paints a comprehensive picture of the participants' demographic characteristics, highlighting the involvement of young adults, diverse gender representation, geographic distribution, and varied occupational statuses. This diverse range of participants enriches the insights gathered and enhances the overall understanding of the survey findings.

# **Knowledge and Involvement**

Regarding familiarity with the concept of social entrepreneurship, the majority of respondents indicated that they had heard about it before the survey but knew very little about it. There were also participants who had not heard about the concept before the survey. A few respondents expressed a good understanding of the concept but mentioned that they were not professionally connected to it. Furthermore, there were individuals who reported working in organizations or companies closely connected to social entrepreneurship.

In terms of considering becoming a social entrepreneur or being employed by one, the data indicates that many respondents have considered this path. There were several affirmative responses expressing interest in becoming a social entrepreneur or being employed in the field. Overall, the data suggests a mix of familiarity with the concept of social entrepreneurship and varying levels of interest in pursuing it as a career or employment option.



# **Motivation & support**

The survey findings provide valuable insights into the motivations driving individuals to consider or engage in social entrepreneurship, as well as the support systems they would require.

Individuals are motivated by various factors, including empathy and a genuine concern for the community. They have a strong desire to make a positive impact and address societal challenges. Previous experiences with social enterprises and the influence of friends, family, and the community play significant roles in motivating individuals. Additionally, the desire to earn a living in a more sustainable way and a sense of personal responsibility to contribute to social change are driving factors. Some individuals are driven by the ambition to leave a lasting impact or tackle specific societal challenges.

Furthermore, the survey respondents expressed their requirements for support in their social entrepreneurship endeavours. They highlighted the need for training on essential business management skills to enhance their entrepreneurial abilities. Access to resources, both financial and human, emerged as critical factors for starting and sustaining social enterprises.

Participants emphasized the importance of comprehensive support from the government or municipality during the initial phases of their ventures. Mentorship from experienced social entrepreneurs was identified as valuable, as it provides guidance, insights, and practical advice. Networking opportunities were recognized as beneficial for establishing connections with like-minded individuals, fostering collaboration, and creating a supportive ecosystem. Moreover, participants stressed the significance of knowledge and training about the concept of social entrepreneurship, including understanding its principles, practices, and impact. These insights highlight the need for educational resources and guidance in developing innovative and socially conscious business ideas.





# **Readiness and external turbulences**

The respondents provided us with noteworthy observations regarding the influence of recent events on individuals' attitudes towards involvement in solving societal challenges.

- 1.Increased Awareness of Individual Responsibility: The respondents acknowledged a heightened awareness of their personal responsibility towards society, driven by events such as the COVID-19 pandemic, the war in Ukraine, and energy crises. These circumstances have prompted individuals to recognize the significance of their contributions in addressing societal challenges.
- 2. **Recognition of Existing Challenges:** The survey data indicates that individuals have become more aware of the social, economic, and environmental issues faced by communities. While concrete actions may not have been taken yet, the recognition of these challenges signifies a shift in mindset towards a more informed and engaged approach to societal issues.
- 3. **Sense of Connection to Communities:** Respondents expressed a stronger sense of connection to their communities and the challenges they encounter. Recent events have fostered empathy and understanding, generating a deeper commitment to seek ways of addressing these challenges and contributing to positive change.

In conclusion, the survey's findings reflect a notable shift in attitudes and motivations among individuals, influenced by recent events. There is a greater awareness of personal responsibility, heightened recognition of existing challenges, a deeper connection to communities, and an increased interest in social entrepreneurship as a means of addressing societal issues. These insights suggest a positive trend towards greater engagement and a collective commitment to driving positive change in Cyprus and beyond.





# **Learnings from existing SEs**

# Description of the involved respondents

Although the concept of social enterprise is still emerging in Cyprus and lacks a formal legal framework, the participants in this survey offer valuable insights into the evolving landscape of social business.

The survey engaged representatives from various organizations that embody the principles of social entrepreneurship. Five distinct social business profiles emerged, showcasing the innovative approaches adopted by these entities to address social and environmental challenges. The profiles include the Employment and Economic Empowerment, Artisanal Crafts Cooperative, Agriculture and Fair Trade Collective, Employment Reintegration and Support Services, and Affordable Housing and Community Revitalization Network.

These social business profiles exemplify the commitment of organizations in Cyprus to creating positive social impact through cooperative and sustainable models. Despite operating as social enterprises for relatively short periods, ranging from 2 to 5 years, these organizations have already made significant strides in their respective fields.

By understanding their operational realities, we can identify the support mechanisms and strategies needed to foster the growth of social entrepreneurship in Cyprus. The insights provided by the survey participants will serve as a valuable resource for policymakers, stakeholders, and individuals interested in the field of social entrepreneurship. This chapter aims to contribute to the development of a supportive ecosystem that nurtures and amplifies the impact of social enterprises in Cyprus.

# Key elements for progress & lessons learned

The survey findings shed light on important aspects of starting a social enterprise. Respondents expressed diverse motivations, including empathy, care for the community, and personal traits, as well as a desire for sustainable livelihoods and the ambition to solve societal challenges. They employed various methods to define the challenges their businesses would address, including grassroots awareness, personal experiences, and classical market research. When choosing business models, respondents took different approaches, such as global exploration, natural ideation, and networking with experts and fellow social entrepreneurs. Innovation methodologies employed within social enterprises encompassed strategies like innovation mapping, brainstorming, and design thinking, emphasizing empathy and iterative prototyping.



During the initial stages, support came in the form of financial assistance from public sector entities, support from family and friends, private sector investments, and in-kind resources and expertise.

These findings highlight the multifaceted nature of social entrepreneurship, from initial motivations to problem definition, business model selection, innovation methodologies, and initial-stage support.

The survey underscores the importance of addressing societal challenges while considering sustainability and engaging with local communities. The diverse range of motivations, problem-solving methods, and support sources emphasize the unique and adaptable nature of social enterprises. Such insights can guide aspiring social entrepreneurs in navigating the complexities of starting and running successful ventures that create a positive impact in their communities and beyond.

# **Definition of success**

Social enterprises define their success based on several key aspects that have played significant roles in their achievements. One crucial factor is the support systems they have access to, whether from the public or private sector. These support systems provide essential resources, mentorship, and guidance, contributing to the success of social enterprises. Another important aspect is having a strong business mindset and the necessary skills to navigate the entrepreneurial landscape effectively. This includes strategic planning, financial management, and other business-related capabilities.

Partnerships also play a vital role in the success of social enterprises. Collaborating with other organizations, both within and outside the social enterprise sector, allows for shared resources and the ability to create a collective impact. By forming strategic partnerships, social enterprises can leverage expertise, funding, and networks to achieve their goals.

Desk research further highlights successful approaches in the social enterprise sector. For example, establishing partnerships with government entities or established businesses has proven to be fruitful. Additionally, prioritizing community engagement and addressing local challenges directly have been key factors in achieving success.

These findings underscore the importance of support systems, business mindset and skills, and partnerships for the success of social enterprises. They serve as valuable insights for aspiring entrepreneurs and policymakers aiming to foster sustainable and impactful social entrepreneurship.



# Impact of Recent Turbulences on Social Enterprises and the Role of Youth Engagement

Social enterprises have faced various challenges in managing their businesses. Balancing the dual objectives of impact and profitability has been a significant challenge, as it requires finding the right balance between financial sustainability and social mission. Another challenge is finding talent that shares the same passion and vision, particularly when offering lower salaries compared to other industries. Building partnerships with organizations that share values and goals has also proved to be a major challenge. Staying focused on the mission amidst competing demands and managing cash flow have been additional obstacles. Navigating the complex legal and regulatory environment in the sector and scaling impact while maintaining quality have posed challenges as well.

Since starting their enterprises, social entrepreneurs have learned important lessons. Building strong partnerships and networks has been recognized as crucial for amplifying impact. The value of staying flexible, adaptable, and responsive to changing landscapes has become evident. Effective storytelling has been learned as a powerful tool for connecting with stakeholders and inspiring support.

Self-care and resilience have been emphasized to manage the emotional and mental demands of running a social enterprise. Embracing experimentation and iteration has also been recognized as valuable for learning from failures and continuously improving.

The events of the past years, including the pandemic, energy crisis, and social conflicts, have influenced social enterprises in various ways. The pandemic, for example, has necessitated the adaptation of business models and the adoption of virtual strategies. It has also highlighted the importance of building resilience and exploring alternative approaches. The energy crisis has prompted a focus on sustainability and environmental impact. These events have reinforced the commitment of social enterprises to social justice, equity, and inclusivity.

For aspiring young social entrepreneurs, advice includes staying curious, seeking mentors and role models, starting small to make a tangible impact, embracing risk-taking and learning from failure, and considering sustainability and scalability from the outset. By sharing success and failure examples, social entrepreneurs can provide practical insights, inspire innovation, and highlight effective approaches that have led to positive outcomes.





### **Conclusions**

The survey findings indicate that social entrepreneurship is emerging as a transformative concept in Cyprus, reflecting a shift towards a more inclusive and socially conscious approach to business. While profitability remains a primary objective, there is a growing recognition of the importance of integrating social goals and creating positive social impact alongside financial success. This insight can motivate youth to get more involved in social entrepreneurship as they witness the potential to make a meaningful dillerence and contribute to societal change.

The experiences of social enterprises can serve as powerful examples for youth. The diverse motivations of social entrepreneurs, such as empathy, sustainability, and the ambition to solve societal challenges, can inspire young individuals to explore social entrepreneurship as a career path. By highlighting the positive impact achieved through their work, social entrepreneurs can ignite the passion and drive of youth, encouraging them to pursue innovative solutions to pressing social and environmental issues.

To fill the gaps in the social enterprise ecosystem, the active involvement of youth is essential. With their fresh perspectives, creative ideas, and technological expertise, young individuals can bring new energy and innovation to the sector. Their active participation can help address challenges, drive forward-thinking approaches, and contribute to the growth and development of social entrepreneurship in Cyprus.

Support systems are crucial for the success of social enterprises, and youth can benefit from similar structures. By providing financial assistance, mentorship, and guidance, both from the public and private sectors, youth can overcome obstacles and navigate the entrepreneurial landscape more effectively. Creating an enabling environment that offers comprehensive support to youth-led social enterprises can foster their growth and sustainability.

Partnerships have played a vital role in the success of social enterprises. Youth can actively seek collaborations with established businesses, government entities, and community organizations to amplify their impact and leverage shared resources. By forging strategic alliances, youth-led social enterprises can tap into the expertise, funding, and networks of established stakeholders, enhancing their potential for creating meaningful change.

Engaging youth in social entrepreneurship brings a people-centred approach to the forefront. By actively involving young individuals in decision-making processes and providing platforms for their voices to be heard, social enterprises can ensure that their solutions address the needs and aspirations of future generations. The active participation of youth can promote inclusivity, diversity, and social justice, shaping a more equitable and sustainable future for Cyprus.



To further encourage youth involvement in social entrepreneurship, it is important to incorporate social entrepreneurship programs and courses in educational institutions. This will equip young individuals with the necessary skills and knowledge to pursue their entrepreneurial aspirations. Mentorship programs connecting experienced social entrepreneurs with aspiring youth can provide valuable guidance and support. Additionally, funding opportunities and grants targeted specifically at youth-led social enterprises can provide the necessary resources for their initiatives. Networking events, conferences, and workshops can facilitate collaboration and knowledge sharing among young social entrepreneurs, fostering a supportive ecosystem. Advocacy for policy changes and regulatory frameworks that support and incentivize youth engagement in social entrepreneurship is also crucial for creating an enabling environment.

By embracing the experiences of social enterprises and actively involving youth, Cyprus can cultivate a thriving ecosystem that harnesses the transformative power of social entrepreneurship to address societal challenges and create a more sustainable and inclusive future.





# 2.3. GREECE

# **Description of the Ecosystem**

The social enterprise ecosystem in Greece is still developing, but it has shown signs of growth and maturity in recent years. Social entrepreneurship is relatively new in Greece and has gained traction over the past decade.

The economic crisis of 2009 raised the importance of social contribution and solidarity, which led to the legislation of SE (Law 4019/2011 for the first time in Greece in 2011—as a consequence of the social and economic upheaval, the same year marked a significant milestone for Greek social entrepreneurship, as the number of social enterprises grew exponentially along with the support systems and mechanisms.

Some of the most pressing issues in Greece are being addressed by SEs working to alleviate poverty and increase employment opportunities while promoting and demonstrating an alternative economic model.

The first law regarding social entrepreneurship, Law 4019/2011, was enacted in 2011. Law 4019/2011 specified the framework for the operation of social businesses and established the social economy and social entrepreneurship sphere. In this context, the Social Economy sector was defined, and a new corporate form, the Social Cooperative Enterprise, has been established as an actor of the social economy and social entrepreneurship.

Since 2016, Law 4430/16 has been in force, based on which the Social Cooperative Enterprises comply with the operational definition of the European Union.

"Social and Solidarity Economy" is defined by Law 4430/2016 as "the set of economic activities based on an alternative form of organisation of production, distribution, consumption, and reinvestment relationships, based on the principles of democracy, equality, solidarity, cooperation, and respect for people and the environment."

The conditions an organisation (regardless of its legal form) must satisfy to be considered a member of the social economy and to be included in the register maintained by the Ministry of Labor, and Social A□airs are outlined in Law 4430/2016. According to Article 3 of the Law, "Social and Solidarity Economy Bodies" are defined as the following:

### Social cooperative enterprise SCE

SCEs were also mentioned in the preceding law 4019/2011, albeit slightly differently. According to Law 4430/2016, SCEs (KoinSEp) are the "civic cooperatives of Law 1667/1986, which have as fundamental aim the collective and social benefit [...] and have ex lege entrepreneurial activity."





SCEs are divided into **two categories** related to their special purpose:

a. Integrational SCEs (KoinSEp Entaxis)

Integration SCEs are then divided into two subcategories:

- SCEs for the integration of 'vulnerable' groups in social and economic life that integrate social groups such as people with disabilities, drug addicts, rehabilitated drug addicts, released prisoners, juvenile offenders, etc.
- SCEs for the integration of 'special' groups in social and economic life.

This refers to victims of domestic violence, victims of trafficking, people experiencing homelessness, migrants, refugees and asylum seekers (for as long as their asylum application is pending), heads of single-parent families, etc.

b. SCEs for collective and social benefit purposes (KoinSEp Syllogikis & Koinonikis Ofeleias)

• Limited liability social cooperatives (KoiSPEs)

KoiSPEs are explicitly acknowledged as SCEs and as a key component of the Greek SSE spectrum by Law 4430/2016.

• Civil cooperatives

Civil cooperatives are associations with a financial purpose that target their members' economic, social and cultural development.

• Any legal form that is not a single-person entity but complies with a series of operational criteria.

This legislation paved the way for expanding social enterprise activity fields in Greece. It provided an updated framework for various organisations and businesses with a demonstrable social impact and addressing a social problem. It also introduced the concept of legal status by adopting a more operational, criterion-based logic, which means that virtually any legal form can alter its status to be part of the official SSE spectrum and register with the NRSSE. Compliance with a set of operational criteria is necessary. In brief, these criteria pertain to entrepreneurial activity on the private market (revenues from public bodies should not exceed 65% of total turnover over three years), democratic governance (one member, one vote), and a well-defined social purpose with profits allocated to collective and social benefit (up to 95% of annual profits).

Furthermore, while the former law 4019/2011 emphasised 'social economy' and 'social entrepreneurship, the current Law 4430/2016 is built around the concept of 'social and solidarity economy and introduced defined and operationalised the terms 'social innovation' and 'social impact' for the first time in Greece. In addition, whereas the previous law 4019/2011 clarified "social economy" and "social entrepreneurship," the current law 4430/2016 is based on the principle of "social and solidarity economy" and for the first time in Greece introduced and operationalised the terms "social innovation" and "social impact."

Lastly, it is worth mentioning that in Greek legislative and administrative documents, the term 'social and solidarity economy organisation' is typically used over the 'social enterprise' term.



Based on the National Registry of Social and Solidarity Economy NRSSE, there are 1.729 social enterprises in Greece (August 2022). Since 2018, there has been a decline in the annual number of registrations, whereas the trend before 2018 was strictly upward. This can be partially explained by a decrease in the initial excitement for establishing businesses in Greece's innovative sector. CSI in addition, Os' day-to-day operational challenges also contribute to the waning interest in these legal business forms.

Several organisations, networks, and initiatives now support and promote entrepreneurship in Greece, but only some could be described as SEE specialist support systems. Some of them can be found below (see Table 1):

Table 1" Support system of social enterprises"

| Name                                     | Organisation<br>Type            | Type of support                          | Description of support   |
|--|---------------------------------|--|--|
| Impact Hub Athens                        | Accelerator,<br>Workspace       | Development<br>and networking<br>support | A co-working space and community that supports social entrepreneurs in Greece. They offer workshops, training programs, and networking opportunities to help social entrepreneurs grow their businesses and create social impact.  |
| Higgs                                    | Accelerator,<br>Incubator       | Development<br>and networking<br>support | Higgs offers a range of services, including tailor-made educational seminars; individual advisory meetings with partners and management to address general or specific needs; sharing best practices and networking opportunities with major NGOs in Greece and abroad; opportunities for job shadowing and internships in large NGOs; daily support in the development of fundraising proposals directed at domestic and international donors; and third sector and social economy Awareness raising. |
| Social Dynamo<br>Boddosaki<br>Foundation | Training and mentoring services | Development<br>and networking<br>support | Social Dynamo is an award-winning hub which offers training, professional support, and networking. It aims to support organisations to become sustainable, increase their effectiveness and maximise their social impact.  |
| Among                                    | Consulting services             | Development<br>and networking<br>support | The organisation encourages and facilitates systemic change through social innovation. It empowers organisations & (re)design projects and services to tackle social challenges in Greece with a more innovative approach.   |



| Solidarity Mission                 | Consulting services             | Development<br>and networking<br>support | Solidarity Mission empowers social entrepreneurs. Their programs and services target the creation and development of sustainable social enterprises and social innovations.   |
|------------------------------------|---------------------------------|--|---|
| PRAXIS Business<br>Coaching Centre | Training and mentoring services |  | PRAKSIS BCC aims to reduce youth unemployment. It is an entrepreneurship support programme aimed at people from socially vulnerable and disadvantaged groups, enabling them to build a better tomorrow for themselves and their families through entrepreneurship.  |
| Cooperative Bank<br>of Karditsa    | Cooperative bank                | Financial and funding support            | Cooperative Bank of Karditsa was initially established in 1994 as a credit cooperative and became a bank in 1998 with a strong emphasis on social enterprises.  |
| Pancretan<br>Cooperative Bank      | Cooperative bank                | Financial and funding support            | A cooperative bank with a focus on cooperatives and social enterprise financing.  |
| Action Finance<br>Initiative       | Access to funding and training  |  | AFI provides access to financing, though microcredits, to those who have a business idea or project but need help with the necessary funds. At the same time, it supports these businesses by providing free training and support.  Specifically, AFI promotes microcredits in Greece, offering access to micro-loans up to 12,500 euros to potential entrepreneurs independently of their commercial activity, level of innovation, investment category, and technology use. |
| The People's Trust                 | Training and mentoring services |  | The People's Trust is a privately funded non-profit organisation that supports start-ups and existing small businesses across all sectors, providing up to €15,000 in microfinance and free business development services.  |

The social enterprise ecosystem is a relatively new concept that has grown exponentially in the last decade. However, the legal and regulatory framework made it mature.

However, despite these positive developments, the social enterprise ecosystem in Greece still faces challenges. These include limited access to funding and investment, gaps in support structures and mechanisms, and limited awareness and understanding of the concept among the broader public.



# Youth and their Readiness/willingness to get involved in SE

The online survey was completed by 52 respondents from Greece. Among the respondents, 50% reported living in the capital city of Greece, while 40% lived in other cities, and 10% lived in small towns and rural areas. In terms of employment status, 67% of the respondents reported being employed, 10% were unemployed, and 12% were university students.

In terms of age distribution, 21% of the respondents were aged between 18 and 25, while 31% were aged between 26 and 30. The majority of respondents 48%) were above 30 years old. These demographic results provide an overview of the sample characteristics of the online survey participants and can be used to contextualise the results of the study. It is important to note that the sample may not be representative of the larger population due to the self-selection bias inherent in online surveys.

As part of this study, participants were asked to indicate their familiarity with social entrepreneurship SE. Of the 52 respondents, 11.5% reported not having heard of the concept before. Additionally, 35% indicated that they had heard of SE before participating in the survey but needed more knowledge about it.

On the other hand, 38.5% of the respondents reported knowing the concept well but needed a professional connection to it. Moreover, 8% of the respondents stated that they worked for an organisation or company closely connected to social entrepreneurship, while an equal percentage 8%) identified as social entrepreneurs.

These findings suggest that while a significant proportion of the sample is familiar with the concept of SE, a large proportion still needs to gain more knowledge or familiarity with the idea. Furthermore, most respondents familiar with SE are not professionally connected to it, indicating a potential knowledge gap between those familiar with the concept and those with experience in the field. Finally, the small percentage of respondents who work in organisations or companies closely connected to social entrepreneurship or who identify as social entrepreneurs highlights the potential importance of examining the experiences of those more actively involved in the field.

As part of the study, respondents were asked if they had ever considered becoming a social entrepreneur or being employed by one. Among the 52 participants, the majority 76%) responded affirmatively, while 24% responded negatively.

These results suggest a high interest in social entrepreneurship among the survey participants. In addition, the fact that three-quarters of the respondents have considered becoming a social entrepreneur or working for one indicates that a pool of individuals may be interested in pursuing a career in this field.

The participants who had indicated that they had considered becoming a social entrepreneur or being employed by one were asked to identify up to three factors that motivated them to pursue this career path.



Of the respondents who answered yes to the previous question, 68%indicated that their primary motivations for considering or engaging in social entrepreneurship were empathy, care for the community, or other personal traits. Additionally, 59.5% of the respondents reported feeling individually responsible for contributing to change as an active citizen.

Furthermore, 43% of the respondents stated their motivation was the willingness or ambition to leave a lasting impact and solve a societal challenge. In comparison, 40.5% indicated their motivation was the willingness to earn more sustainably. Only 19% of the respondents reported previous experiences with social enterprises or inspiration from their work as one of their motivations for getting involved in social entrepreneurship.

These findings suggest that personal values and a sense of responsibility to contribute to social change are significant drivers for individuals considering social entrepreneurship as a career path. Additionally, many respondents are motivated by the potential to create a sustainable livelihood, indicating that social entrepreneurship may offer a viable career option for those seeking to combine financial sustainability with social impact. However, the relatively low number of respondents citing previous experience or inspiration from existing social enterprises as motivation may indicate a need for greater awareness-raising and role-modelling within the field to inspire and attract potential social entrepreneurs.

The participants who had indicated that they had not considered becoming a social entrepreneur or being employed by one were asked what kind of support they would require to consider taking part or starting their social entrepreneurship venture. Of the respondents who answered no to the previous question, 68% indicated that they would need access to resources (financial, human, etc.), and 50% stated that they would require knowledge and training about the concept of social entrepreneurship.

Additionally, 50% of the respondents reported that mentorship from an experienced social entrepreneur would be a valuable form of support, and 41% identified networking opportunities with like-minded people as a factor that would encourage their engagement with social entrepreneurship. Other factors, such as business management skills training and help finding a business idea or model, were mentioned by smaller percentages of respondents, with 23% and 27%, respectively.

Only 18% of the respondents mentioned the need for well-rounded support from the government or municipality for the start-up phase, indicating that policy support and enabling environments may be less of a priority. In addition, a small proportion of respondents 4.5%) stated that they had no interest in initiatives with social benefits or entrepreneurship in general, suggesting that this group may be less receptive to support promoting social entrepreneurship.

These findings suggest that knowledge, access to resources, mentorship, and networking opportunities are key forms of support that could encourage individuals not currently interested in social entrepreneurship to consider getting involved in this field.





Out of the 52 respondents, 40% responded that the events of past years events them more aware of the existing challenges in society, but they still need to take action to tackle them. 25% reported that they are now more aware of their responsibility towards society but have yet to take action to exercise it. 31% felt more connected to the community and its challenges. 11.5% have started contributing to addressing social challenges by volunteering or becoming a member of an NGO. 29% have considered starting or have already founded a social enterprise or included a service with social impact within their current job. Finally, 10% of respondents reported that their attitudes towards involvement in solving societal challenges have remained the same. These findings suggest that while recent events have raised awareness about social issues, there is still a need to motivate individuals to take concrete actions to address them.

### **Summary**

- Awareness of social entrepreneurship: While a significant portion of the respondents have heard about the concept of social entrepreneurship, a considerable number (11.5%) are unfamiliar with it.
- Interest in social entrepreneurship: Most respondents (76%) expressed an interest in becoming a social entrepreneur or being employed by one, while a quarter of the respondents did not express interest in social entrepreneurship.
- Motivations for social entrepreneurship: Empathy and care for the community emerged
  as the most important motivators for individuals to consider social entrepreneurship.
  Other important motivators included the willingness to leave a lasting impact or solve a
  challenge in society, feeling individually responsible for contributing to change as an
  active citizen, and the desire to earn a living more sustainably.
- Support needed for social entrepreneurship: The respondents who did not express interest in social entrepreneurship cited a lack of knowledge about the concept, a lack of interest in initiatives with social benefits, or a lack of interest in entrepreneurship in general. Those interested in social entrepreneurship expressed a need for access to resources (financial, human, etc.), mentorship from experienced social entrepreneurs, and networking opportunities with like-minded individuals.

The impact of current events on attitudes towards social entrepreneurship: While a significant portion of the respondents reported feeling more aware of existing societal challenges, only a small percentage have taken action to address them. However, a notable proportion of respondents have considered starting or have already founded a social enterprise or included a service with a social impact within their current job.

Overall, the survey results suggest a high level of interest in social entrepreneurship among the respondents, particularly driven by empathy and care for the community. However, significant barriers exist for those who wish to pursue social entrepreneurship, such as needing more resources, knowledge, and support. The findings also indicate that the events of the past years have influenced the attitudes of some individuals towards social entrepreneurship, but more action is needed to address societal challenges.



# **Learnings from existing SEs**

An online survey conducted among social enterprises in Greece aimed to identify the gather insights on elements that foster successful and sustainable social entrepreneurship practice and the aspects that contribute to the start of such a venture; an online survey was sent out to active social enterprises in Greece.

The results indicate that the aspect that has played the biggest role in the overall success of the businesses is the possession of a business mindset and skills, which 89% of the respondents chose. This suggests that having an entrepreneurial mindset and possessing the necessary skills to run a successful business is crucial for the success of social enterprises.

Teamwork was the second most commonly cited factor, with 44% of respondents indicating that it has contributed to their success. This highlights the importance of collaboration and effective team management in the success of social enterprises.

Innovation and community engagement were both selected by 33% of respondents as factors contributing to their success. This suggests that social enterprises that prioritise innovation and community engagement are more likely to succeed in achieving their social mission.

The business model itself and partnerships were selected by 22% of respondents as factors contributing to their success. This indicates that having a well-designed business model and establishing effective partnerships with other organisations or stakeholders can also play a role in the success of social enterprises.

Finally, support from family and friends and mentorship and accelerator programs were both selected by 11% of respondents. While these factors may not be as significant as others, they can still contribute to the success of social enterprises by providing emotional support and guidance.

Overall, the results suggest that having a business mindset and skills, effective teamwork, innovation, community engagement, a well-designed business model, and partnerships are all important factors that can contribute to the success of social enterprises in Greece.

Regarding the challenges that social enterprises encounter from the responses of the social enterprises, the main challenges in managing their business are financial constraints such as finding funding and time requirements, lack of visibility and acceptance of social enterprises by public bodies, private sector, and society, finding qualified and specialised personnel, non-permanent partnerships, sustainability and liquidity, collective management, legal framework, and bureaucracy.



Based on the responses of social enterprises, the following are **key takeaways for aspiring young social entrepreneurs:** 

- Incorporate their personality into their business to make it unique.
- Avoid the legal form of a joint venture due to restrictions.
- Learn to adapt, train, and constantly evolve.
- Dare to pursue their dreams.
- Conduct a proper needs assessment and seek appropriate support.
- Emphasize collective action and team support.
- Develop a reliable business plan.
- Avoid rushing and moving too quickly.
- Keep their feet on the ground but keep their eyes on the sky.

The key takeaways suggest that aspiring social entrepreneurs should focus on developing their businesses thoughtfully and strategically while embracing their individuality and being open to ongoing learning and evolution. Collaboration, proper planning, and a balanced perspective are also important factors in the success of a social enterprise.

The responses from the social enterprises show a mixed impact of the past events on their businesses. Some of them have faced negative effects such as a lack of financial resources, difficulty finding IT companies to deliver projects on time, and operations coming to a halt.

However, most of them have adapted to the changes brought about by the events and have continued their business operations, albeit with some changes. Some have transferred their actions to an online environment, while others have used the pandemic as an opportunity to increase their clientele. The events have also accelerated the digitisation of many operations and helped expand the activities of some businesses throughout Greece.

The **key takeaways** from these responses are that **social enterprises need to be adaptable and daring in facing challenges**. They need to be prepared to shift their operations to an online environment and leverage technology to continue their activities. They also need to be mindful of the impact of the events on their beneficiaries and take necessary measures to protect them. Additionally, they need to be prepared for changes in partnerships and financial resources and be open to exploring global opportunities.





In terms of how a more active involvement of youth could be a solution for these challenges, there are a few possible takeaways from the responses of the social enterprises:

- Adaptability and innovation are key: Several social enterprises highlighted the
  importance of being adaptable and constantly evolving, and this is an area where
  young people can potentially bring fresh perspectives and ideas. By encouraging
  young people to be creative and flexible in their approach to social
  entrepreneurship, they may be able to help businesses navigate unexpected
  challenges and find new growth opportunities.
- **Digital skills and expertise are crucial**: Many social enterprises noted the importance of digitalisation in responding to the events of the past few years, and young people are likely to have a high level of digital fluency that can be valuable in this context. Moreover, by encouraging young people to develop their digital skills and expertise, they may be able to help social enterprises navigate the challenges of a rapidly changing technological landscape.
- Collaborative approaches are needed: A number of social enterprises emphasised the importance of collective action and teamwork in responding to challenges, and young people can potentially play a valuable role in this context by collaborating with other businesses and organisations to find innovative solutions to common problems. By promoting collaboration and partnership-building among young social entrepreneurs, it may be possible to create a more supportive and resilient ecosystem for social entrepreneurship overall.





### **Conclusions**

As a conclusion, involving youth in social entrepreneurship SE can significantly benefit individuals and society. The social enterprise ecosystem in Greece has shown signs of growth and maturity in recent years, addressing pressing issues such as poverty alleviation and employment opportunities while promoting an alternative economic model.

To motivate youth to get more involved in SE, it is **crucial to tap into their experiences** and aspirations. Our survey results indicate that personal values, empathy, and a sense of responsibility to contribute to the community are key motivations for youth considering social entrepreneurship. They also express a strong desire to create a lasting impact and solve societal challenges while pursuing a more sustainable livelihood.

The experiences of social entrepreneurs can play a vital role in motivating youth and filling the gaps in the ecosystem. By showcasing the successes and impact of existing social enterprises, we can inspire and attract more young people to engage in SE. Furthermore, creating mentorship programs and providing training and networking opportunities through organisations like Impact Hub Athens, Higgs, Social Dynamo, Among, and others can further support and empower youth in their SE journey.

Despite the positive developments, the social enterprise ecosystem in Greece still needs challenges, including limited access to funding, gaps in support structures, and limited awareness among the broader public. Addressing these challenges will require collaborative efforts from various stakeholders, including government bodies, financial institutions, and educational institutions, to create an enabling environment for social entrepreneurship to thrive.

In conclusion, by leveraging the experiences of social entrepreneurs and addressing the challenges in the ecosystem, we can harness the potential of youth and foster their active involvement in social entrepreneurship. This will contribute to solving societal challenges and equip the youth with the necessary skills and mindset to navigate the ever-changing world and create a positive impact.





# 2.4. LATVIA

# **Description of the Ecosystem**

# Social entrepreneurship policy framework

In Latvia, a social enterprise is an enterprise that has been granted the status of social enterprise determined by the Ministry of Welfare and which solves socio-economic problems with an entrepreneurship mechanism. According to the Latvian SE law (in effect from 2017, the social enterprise in this country can be described the following way:

A social enterprise is a limited liability company which in accordance with the procedures laid down in this Law has been granted the status of a social enterprise and which conducts an economic activity that creates a positive social impact (e.g., provision of social services, formation of an inclusive civil society, promotion of education, support for science, protection and preservation of the environment, animal protection, or ensuring of cultural diversity).

The system works in a way that a commission evaluates applications roughly once a month and grants the status based on a row of aspects, and the status should be renewed each year by submitting reports on achieved social impact and business indicators. Even though the fact of having such a law and framework is an achievement in itself, the practitioners and existing social entrepreneurs often mention that it is nowhere perfect, and exhibits a very narrow and limited perspective which excludes a broad spectrum of social economy organizations. This means that by Latvian law non-profits, non-governmental organizations and other types of social economy organizations are not permitted to obtain the status of social enterprise, and thus more ambiguous structures present in other countries (like, NGOs that can still earn some income to further their social goals), can not reap the benefits of social enterprise status. Simultaneously, many LLCs are not trying to obtain the status, because it is complicated to maintain it, but others without true social mission apply just because there is available extra funding s

# **General ecosystem overview**

The social entrepreneurship ecosystem of Latvia comprises various key actors and stakeholders, including social enterprises, state and municipality organizations, the Social Entrepreneurship Association of Latvia, incubators and accelerators, educational and support institutions, social impact investors and intermediaries, and conventional enterprises. The Ministry of Welfare is the primary state institution responsible for overseeing the social entrepreneurship sector in Latvia.

<sup>&</sup>lt;sup>4</sup>Licite-Kurbe, L., & Gintere, D. 2021, August 1 . Analysis of Financial Support Instruments for Social Enterprises in Latvia. Rural Sustainability Research, 45 340 , 76–84.

<sup>&</sup>lt;sup>5</sup>Zalāne, L. (n.d.). Sociālie uzņēmēji: Statusu ir viegli iegūt, bet grūti noturēt. LSM.LV. https://www.lsm.lv/raksts/zinas/ekonomika/socialie-uznemeji-statusu-ir-viegli-iegut-bet-gruti-noturet.a439192/



While collaboration among these major ecosystem players has improved in the past years, there is significant potential for working together to establish an even better environment for social enterprises. Since the adoption of the Law of Social Enterprises, more municipalities and regional governments have introduced sub-divisions for fostering it on the local level, but the overall activity is still most prevalent in central parts of Latvia.

Regarding social enterprises by legal status, the first data is available starting from April 2018 when the first social entrepreneurs were able to obtain such status. As of 31st May 2023, the national register includes 267 social enterprises 216 of those active) primarily registered in Riga and the surrounding areas - 72%. The most common areas for social impact are within workplace integration 24%), education 21%) and healthcare, sports or wellbeing 19%). The least popular issue to tackle is environmental protection 4%).

# Youth and social entrepreneurship

Elaborating research on statistics regarding youth involvement in social entrepreneurship is lacking, nonetheless a brief insight into the general trends can be gained from the Eurobarometer report<sup>7</sup> (March 2023). Among other EU countries, Latvia has the second highest rate of self-employment rate among youth - it is 13% of 15 30-year-olds (the same rate is present also in Estonia, Hungary and Slovenia). This does not signify the amount of youth involved in social entrepreneurship particularly, or show a very high result, but an impression of the level of youth's self-initiative can be gained.

According to the same report, overall the familiarity with social entrepreneurship as such is rather low - 72% know nothing or very little of such a concept, and only 22% know a fair amount and 4% - a great deal. These numbers are slightly lower than the EU total and signify that youth should first be familiarized with social entrepreneurship and only then work on motivating them to get involved.

One of the most crucial aspects to be mentioned regarding access of youth to social entrepreneurship is the opportunities provided by the educational system. According to a Eurobarometer report<sup>8</sup>in Latvia, the primary source from which youth had found out about social entrepreneurship was from school/university 32%) and social media 24%). It signifies two aspects. First, schools and universities (or other educational opportunities) should be considered as the primary pathway to fostering social entrepreneurship among youth. Second, the current system has already done part of its work, as a minimum - informing the young population about such a concept.

To give a perspective, within schools, youth is not taught social entrepreneurship as a subject, but brief insights are included as a topic in social sciences, history and entrepreneurship. According to internal knowledge from the National Centre for Education of the Republic of Latvia, these topics are purposefully fostered within the educational system, but there is a huge gap prevalent in the available teaching materials in the Latvian language.

<sup>6</sup>Sociālo uzņēmumu reģistrs. (n.d.). Labklājības Ministrija. https://www.lm.gov.lv/lv/socialo-uznemumu-registrs <sup>7</sup>Social entrepreneurship and youth.(n.d.)European Union. https://europa.eu/eurobarometer/surveys/detail/2670 <sup>8</sup>Ibid





Educators scramble information from the existing sources, and thus an equally comprehensive content can not be provided to students in the whole of Latvia (that largely depends on the educator's personal level of knowledge and awareness).

Within higher education, social entrepreneurship as a program is available only for the Master's level and is provided in two universities (in European Christian Academy and EKA University of Applied Sciences). But for Bachelor levels courses that highlight social entrepreneurship are presented in seven universities<sup>9</sup>. In general, it is visible that the student market of Latvia is not large enough, and the awareness or interest in this topic - is not as great yet, to ensure a great yet, to ensure a broader choice of educational opportunities in higher education.

## Support for youth social entrepreneurs

Support for social enterprises is embedded in the law - in form of tax deductions (for a row of occasions on income tax, as well as property tax and in-kind contributions from other public entities) and the possibility to engage volunteers. This is a mechanism that ensures some financial support from the government, but it comes with a bureaucratic burden that might hinder access to this support and/or interest in obtaining lawful status.

Specifically for monetary support, the most prominent mechanism for financial support is the program conducted by the Ministry of Welfare and financial institution "Altum" - until the end of March 2023, they have distributed 205 grants in total worth 12.8 million EUR. It has been a very valuable opportunity, offering grants from 5,000 to 200,000 EUR per project as an investment or current assets (that can be used also for salaries), thus promoting such a business operation model in itself. Unfortunately, the finances have run out and no grants are being provided at the moment (with the potential of opening a new program in 2024.

Especially for youth in Latvia, one of the primary desired ways for support that would motivate their involvement in social entrepreneurship is the possibility of applying for an accelerator program<sup>10</sup>. These are not aimed at youth directly, but currently, two accelerator programs are available for social entrepreneurs in Latvia - managed by New Door NGO and Reach For Change Latvia.

For support and incentivisation of social entrepreneurship in general, various institutions announce support for creating new business opportunities. For example, the idea contest for social entrepreneurship startups by the Welfare Ministry of Latvia, a pitch contest by the Social Entrepreneurship Association of Latvia, and a grant program for support of social entrepreneurs by SEB Bank and five regions surrounding Riga. To ensure the creation of competitive social business models, support in the form of consultations is also provided by the Welfare Ministry of Latvia.

<sup>&</sup>lt;sup>9</sup>Asociācija, L. S. U. 2023, June 6 . Sociālās uzņēmējdarbības studiju iespējas Latvijā. SUA. https://sua.lv/socialas-uznemejdarbibas-studiju-iespejas-latvija/

<sup>&</sup>lt;sup>10</sup>Social entrepreneurship and youth.(n.d.)European Union. https://europa.eu/eurobarometer/surveys/detail/2670



From the overview, it is clear that targeted support for youth is currently not available, but the existing support mechanisms are nonetheless inclusive and available for anyone interested in becoming a social entrepreneur. Another trend rather common in the whole of Europe is the fact that support is usually provided for the startup phase, but after a few years, social entrepreneurs are left on their own and thus are more vulnerable due to their specific and limiting nature of work. This might serve as a factor that hinders the motivation of youth to uptake social entrepreneurship. Instead, they prefer to become employed by someone else motivated by the financial stability it provides.

We can learn from this that even with the basic prerequisites, like the legal framework and overall support mechanisms offered to advance social entrepreneurship in Latvia, very little of this work is aimed particularly at youth and increasing their access or involvement in such entrepreneurship. It can be considered a loss, because social entrepreneurship, especially taken as a set of skills, can be a very valuable way not only to increase the entrepreneurial mindset but also to provide young people with other necessary soft skills and resilience in the face of the ever-changing and unpredictable job market. The educational system might provide such competencies from an early age but currently is not using its full potential. Additionally, the existing legal framework is considered rather complicated, and therefore not friendly neither for youth or other social entrepreneurs.

# **Engagement of Youth in Social Entrepreneurship**

This section will reveal the opinion of 35 young Latvians 16 - 33 years of age) who have filled out an online survey distributed over Facebook. Most of them are female 91.4%) who live in urban parts of Latvia 54.3% in Riga and 28.6% in other cities) and are employed 34.4%), studying in a higher education institution 34.4%) or enrolled in secondary education 17.1%). In questions that overlap, the secondary data from the Eurobarometer report about Social entrepreneurship and youth confirm similar trends but represent a much larger audience 1047 young people in total) and, therefore will be referred to throughout the following chapters.

In the methodological approach the questions are based on an approach where the readiness and willingness of youth to get involved in social entrepreneurship is determined by their prior level of knowledge, motivation to become entrepreneurs and the existing or necessary support mechanisms. One question in the survey reveals the effects of global events of last years (the COVID-19 pandemic, war in Ukraine and the following energy crisis) on the engagement of youth.

<sup>&</sup>lt;sup>11</sup>Social entrepreneurship and youth.(n.d.)European Union. https://europa.eu/eurobarometer/surveys/detail/2670



# Level of already existing knowledge and involvement

Not only the data from our survey but also those from the Eurobarometer report referenced before clearly state that youth has a very low level of understanding of the term "social entrepreneurship". In this case, 71.4% or 25 of 35 respondents have entry-level awareness - either have never heard about it 17.1%) or have heard the name but know very little of it 54.3%). 22.9% were well aware of the concept, but not professionally connected to it, and only 5.7% 2 respondents) work in an organization/company that is closely connected to social entrepreneurship, but none are social entrepreneurs themselves.

This gives us a perspective on the approach to foster social entrepreneurship among them primarily they should be familiarized with the concept to understand the individual benefits and long-term gains. Only afterwards the next steps can be taken to engage them in particular activities with social entrepreneurship as the end goal. Additionally, in the context of training for non-particular youth audiences, it highlights that the information provided to them should either be very simplified (adjusted for beginners) or focus on already existing references within standard business practices to ensure understandability and relatability.

Interestingly, almost half 48.1%) have considered becoming social entrepreneurs themselves or being employed by one, but deeper research should be conducted to specify the motivations for this. In the report "Social Entrepreneurship and Youth", young people mention that a potential employer has defined social goals 75%) or environmental goals 73%) for the company, and involves employees in the decision-making 78%). By default, these are characteristics of most social entrepreneurs and thus could be considered as one of the motivations for the above-described trend.

### Motivation to get involved and factors that might affect it

Engagement and motivation of youth are being discussed broadly lately in the context of various topics. When exploring the motivation of youth getting involved in social entrepreneurship, the elements that affect it are mostly connected to their prior level of familiarity (see previous sub-chapter), engagement and interest in solving social challenges as well as the personal employment requirements/preferences and the available support.

Among young respondents in Latvia, when asked "What are/were your main motivations that led you to consider or get engaged with social entrepreneurship", the absolute forerunner was the answer willingness or ambition to leave a lasting impact / solve a challenge in the society 73.3% or 11 respondents). It was closely followed by their personal trait to be emphatic or care for the community and feeling the individual civic responsibility to contribute to change (both 53.3%). This highlights the **willingness to be a part of the solution** in one way or another.

Similar trends were confirmed in the data gathered from the existing social entrepreneurs (see Chapter 4 - the exact three answers mentioned above were the most prominent among them. They were more inclined to start because of care for the community or feeling civic responsibility (both - 41.7%), and not far behind also by the willingness to leave a lasting impact 33.3%).



To see what would be the external motivators and prerequisites, we wanted to understand what support they would require to consider taking part or starting their own social entrepreneurship. The most common answers were - access to resources (financial, human, etc.) by 60.0% of respondents, training on business management skills by 45.0%) and knowledge and/or training about the concept of social entrepreneurship 40.0%). These were closely followed by help with finding an idea for a business model/concept 35%) and well-rounded support from government support 30%). The answers don't give a unanimous impression about one necessary type of support, but rather show that **support all across the board is necessary** and this topic should be explored in more focused audiences for more detailed conclusions.

### Effects of COVID-19, war, and Energy Crises on the Engagement of Youth

From the beginning of research, it was consciously important to understand how the events of the past years (e.g. Corona-19 pandemic, the war in Ukraine, the energy crisis, etc.) influenced youth's attitude towards involvement in solving societal challenges.

Even though this part of the survey was not very prominent and consisted of just one question, it is important to highlight the potential emerging trends that might support the motivation of youth to become a part of the social economy. Based on the responses, most 48.6%) are now more aware of the existing challenges in society, or are more aware of their individual responsibility towards society 40%), but in either category, respondents have not taken action to exercise it. 22.9% feel more connected to the community, and thus its challenges. Only a small part have taken some kind of action - 14.3% have started volunteering or contributing in other ways in an NGO, but 8.6% have considered starting their own social enterprise or bringing a socially responsible service idea to their current workplace, but 14.3% have not noticed any change in their motivation at all.

Even if these turbulent events have not contributed to a much higher civic engagement, they have had a **genuine positive effect on the level of awareness regarding prevalent issues in the society**, and their own role in solving those. It is a crucial first step that we can build upon when thinking about developing measures to involve them in social entrepreneurship more actively. Such awareness and willingness to be a part of the solution as found in the previous chapter serve as an important base for any activities that foster social entrepreneurship.

### **Learning from existing social enterprises**

These learnings depict the experiences of 12 social entrepreneurs who have submitted their answers through an online survey that was sent out to the database of holders of social enterprise status in Latvia. Less than half of these can be considered newcomers to the field and have started their business less than one year ago 3 of 12 or 2 3 years 2 of 12 . 4 of them operated for 3 5 years and 3 - more than 5 years. Of most of them 11 operate in urban areas - 5 in Riga and 6 in other cities. Only one carries out their work in rural areas.

In this survey, a row of questions were asked to determine their initial motivation to start social entrepreneurship, as well as elements revolving around business model and management.



To round up the useful experiences gained by working in the field for an extended period of time, the learned experiences were asked as the effects of recent global events on the business operations. All of these aspects allow for gaining deeper insight into real-life struggles in the sector and elements that might help design valuable experiences for the involvement of youth in social entrepreneurship but nonetheless serve only a supporting role in the findings of this report.

# Key lessons learned from starting a social enterprise

To better understand the potential entry points for prospective and aspiring social entrepreneurs into this type of business, we collected insights into the journeys of the ones already doing it. The most important findings relate to the ways they chose a problem in society to solve and matched it with their current business model, as well as the things they learned on the way.

Among surveyed Latvian social entrepreneurs the primary way for choice of challenge to tackle was inherent or already existing in their surroundings. For 9 of 12 respondents, this choice was connected to already existing awareness about an issue (for 6 something they encountered themselves, and for 3 - something they encountered in their community). Taking into consideration the fact that social business models often emerge as a response to a particular challenge in a particular environment, there is no surprise in their answers regarding choosing the model for tackling their chosen challenge. For 8 of 12, it came naturally and no specific method was used, but the remaining 4 used a mix of researching existing models, networking and mentorship or accelerator programs. The main takeaway from this to be implemented in the context of fostering social entrepreneurship is the **need to invest in activities among youth that refine their understanding of the surrounding challenges** (in their own lives or the ones in the community) - not only it will aid at boosting their motivation to look for solutions due to relatability, but also serve as a good base for creating a sustainable business model.

What we can learn from the learnings of running a social enterprise are primarily two types of competencies that we can later use as **realistic motivators for youth to consider social entrepreneurship for themselves**. First and foremost, very prominently - **business and leadership skills** (focus on the target group and focus on staff, need for perspective and knowledge about the ecosystem, knowledge about business principles and crisis management, etc.). And secondly, **soft skills and values** - the importance of teamwork, self-reliance, transparency and trust.



### **Definition of success**

Taking into consideration the very varied paths and business models for each social enterprise, success can lie in many aspects. In this survey, we asked them to elaborate on the received support and their own evaluation of the main success factors. It is quite clear that any entrepreneur's path is rather complicated and without support many beginners would not be able to endure.

Most Latvian social enterprises who took part in the survey have received some kind of support - the majority 5 of 12 have benefited from financial support from public sector entities, and almost as many have received consultancy and similar support from the public or non-governmental sector or alternatively - mentorship and/or accelerator program (4 of 12. Also in the question about wishes for aspiring entrepreneurs, many mention the need for support ("ask for advice, but decide yourself", "reach out to potential partners"). But it is rather interesting that when asked about aspects that have ensured the overall success of their business, the most prominent answers touch on support from family/ friends, and teamwork (6 of 12, but interestingly only 3 of 12 recognized that they had received support from family or friends in the previous question). With that said, it is clear that even if support in the form of resources is necessary, the greatest prerequisite for success lies in moral support and like-minded people who root for the same cause on a daily basis.

# Impact of recent global events on social enterprises

With no surprise, the impact of global socioeconomic challenges has touched social entrepreneurs greatly. Only three of them encountered no changes in their daily business. In this open question, one of them briefly responded "improved", and one was ambiguous by saying "losses and new opportunities for development" but the remaining 7 described various changes these events have brought to their work. These include limitations of lockdown largely closing down the business or creating the need to overlook the business model and delay the planned development activities. One of them encountered burnout and other complications among his staff (this enterprise works in the field of education), but the war in Ukraine made their customers more careful about choosing their product. Even though this does not paint a very accurate picture of all social enterprises in Latvia, it is still clear that the events have had significant effects on them.





### **Conclusions**

Combining the results of surveys and the ecosystem and support overview, it is possible to come to a few main conclusions.

- 1. In all categories of data collected, it demonstrates that youth are aware of and care for social issues. Not only do they prefer to work for employees with defined social values, but also have gained extended awareness due to global events in recent years. Even more so when asked about their potential motivation to get involved in social entrepreneurship in future, they primarily mention aspects revolving around social consciousness and civic responsibility. It means that the first step towards increasing their engagement is already there.
- 2. Building on the previous conclusion, the operating social entrepreneurs chose their challenge to tackle primarily on personal experience (individually or in the community) and thus came up with a fitting business model as well. The existing awareness of youth should be linked and made relatable to the challenges from their own lives to ensure a sustainable and motivated involvement in future.
- 3. Even if they are aware of the social issues, there is a large gap in knowing and understanding the concept of social entrepreneurship. Considering this, policies should consider including more thorough and practice-based social entrepreneurship education on all levels of education, but not necessarily with the goal for youth to start their own enterprises. Because they prefer being employed by someone else, such education should be focused on social entrepreneurship as a possibility to build their skills and agility in the changing job market.
- 4. Not targeted particularly at youth, but there are a number of support mechanisms both from the public and private sectors for social enterprises in Latvia (mostly for the start-up phase). Focused support for making involvement in social enterprises easier for youth should be planned and developed taking into consideration the challenges with employability among young people, as defined by the EU.



## 2.5. POLAND

# **Description of the ecosystem**

Involving youth in social entrepreneurship SE is a strategy that might aid in solving numerous challenges in society, but even more so - equip them with the necessary skills and mindset for the job market or their own SE adventure to stay resilient in the face of an ever-changing world. This report is written within the project "Socially Agile" and will be combined with the findings of other countries in an international report "Innovative approaches for fostering social entrepreneurship using agile methodology" to subsequently create a novel online course. The used data has been collected through desk research, an online survey with 75 young people and an online survey with 11 social entrepreneurs from Poland in March 2023.

Youth in Poland - like their colleagues in other EU countries - believe their actions make the world a better place to live. They are aware of climate change, oppose the existence of poverty and inequality, and engage in the fight against discrimination. They want a better future. Therefore, the ideas of the social economy, oscillating between the market economy and meeting social needs, are definitely within their interest.

Until recently, the social economy was associated primarily with the social assistance system and the activation of people from the social margin, therefore, there was little interest of Polish youth in this sector. It turned out, however, that social economy entities can be an opportunity for young people to gain professional experience, and such internships can increase their chances in the labour market.

Until now, the sphere of social economy in Poland has not been comprehensively regulated in legislation. This has been changed by the "Act on the Social Economy", published on August 29, 2022. It organizes the existing solutions regarding social enterprises and emphasizes their role in developing the local labour market. The regulations were developed in cooperation between the government and representatives of the social economy sector, including non-governmental organizations, local governments, the world of science, and the financial sector. The Act defines, among others: 1 rule for obtaining and losing the status of a social enterprise and supervision over it, 2 support instruments for social enterprises, and 3 principles and forms of supporting the development of the social economy by public administration bodies.

"It is important for a social enterprise to respond to the needs of local communities and marginalized people by skilfully using their talents and skills," says Anita Czerwińska, government plenipotentiary for social economy, deputy minister of family and social policy. Thanks to the Act, people at risk of exclusion will be provided with optimal conditions of employment and reintegration into social enterprises. These people will not only gain jobs but will also be included in the decision-making processes taking place in the social enterprise.



The Act provides forms of support for social enterprises. The most important of them is the possibility of obtaining funding: from the Labor Fund and from the funds of the State Fund for Rehabilitation of the Disabled. In addition, social enterprises will be able to count on tax exemptions from CIT in the field of activities related to their employees' social and professional reintegration.

In 2019 there were 29 535 social enterprises in Poland, the majority of them being NGOs and foundations. At the end of August 2022, 2,026 registered social enterprises had obtained this status as part of the implementation of projects co-financed from EU funds. These are primarily social cooperatives 701, foundations, associations, and non-profit companies.

The latest report on youth entrepreneurship was published in 2022<sup>13</sup>. The study was conducted in the form of a questionnaire interview with closed questions, carried out using the CAWI method (computer-assisted web interview) on the online nationwide Ariadna research panel from 9 to 31 March 2022. Although it deals with entrepreneurship in general and does not focus on youth social entrepreneurship it provides valuable insight into youth entrepreneurial attitude, especially into perceived barriers to entrepreneurship, as well as ways of gathering information on how to proceed, which is especially important for projects like "Socially Agile".

Although social entrepreneurship is not at its best in Poland, there are initiatives worth mentioning. One of them is a textbook for primary schools on implementing social entrepreneurship - "Community Startups" !! It has been developed for young students who want to act locally. It is, therefore, a great tool that will familiarize students with issues in the social economy related to social exclusion, social involvement and responsibility, the third sector or cooperation in the local community. The textbook provides information on what a community is, how to become a volunteer, and how to start up an idea and become a member of a student cooperative.

Social enterprises in Poland are on the rise. The number of all social enterprise types has been increasing in recent years, as well as the number of people employed has been increasing, nevertheless, social enterprises still constitute a small share both of the Polish economy and of the general entrepreneurial mindset.

<sup>&</sup>lt;sup>13</sup>PRZEDSIĘBIORCZOŚĆ LUDZI MŁODYCH 2022 (n.d.).

https://rozwijamy.edu.pl/images/raporty/Raport\_2022\_Przedsiebiorczosc\_ludzi\_mlodych.pdf

<sup>&</sup>lt;sup>14</sup>Społecznicy na start (n.d.)ROPS. hlp://wielkopolskaes.pl/images/Patryk/Spolecznicy\_na\_start.pdf



# Youth and their willingness to get involved in SE

The social economy is the activity of social economy entities for the benefit of the local community in the field of social and professional reintegration, creating jobs for people at risk of social exclusion and providing social services, carried out in the form of economic activity, public benefit activity and other paid activity. We asked 75 respondents about their knowledge, experience and attitude towards social entrepreneurship. Over 90% of the respondents were 18-25 years old, the vast majority of them living in the cities (over 70 %). More than 65 % of the respondents were students at higher education institutions.

Over 45% of respondents have never heard about the concept of social entrepreneurship, followed by 40% who have heard the name but are not very familiar with what it means. Only 13% of the respondents knew well what social entrepreneurship is and the same percentage of the respondents considered being involved in social entrepreneurial activities. A reflection arises that social entrepreneurship is barely present in the mindset of the youth, which is undoubtedly a barrier to the social development of the youth generation.

On the other hand, declarations regarding leaving a permanent mark in building social relations are high. This may mean that values related to sustainable development are recognized and valued. The top three motivations for considering getting involved in social entrepreneurship are 1 willingness or ambition to leave a lasting impact within the society, 2 empathy, care for community or other personal traits and 3 willingness to earn a living in a more sustainable way.

Over 50% of the respondents indicated that in order to start with social entrepreneurial activities they would require knowledge and/or training about the concept of social entrepreneurship. Over 30% admitted that they lack training in business management skills and access to resources (financial, human, etc.). This shows that the support expected by students in the sphere of active involvement in social entrepreneurship concerns basic knowledge about the sector's functioning and training in business management skills, which may indicate a deficit of such expertise in economic studies and is not directly related to social entrepreneurship.

60% of the respondents admitted that they are now more aware of the existing challenges in society (but have not taken action to tackle them) and almost 25% that they are now more aware of their individual responsibility towards society (but have not taken action to exercise it). It might mean that the awareness increased due to serious disturbances to our lives COVID-19, and war in Ukraine), but still, the actions do not follow. This is a very interesting observation, letting us know what the gaps are and where more attention needs to be devoted.



Knowledge of the Agile methodology, which gives impulses for creativity and adaptive planning, is unknown to 90% of respondents.

The declared willingness to devote time to learn new things for professional development is 1 2 hours per week for over 35% of respondents and 2 4 hours per week for another 35% of respondents. It is in line with the identified gaps in knowledge about learning and acquiring specific skills and innovative approaches, including entrepreneurial attitudes.

Overall, there is rather little knowledge about social entrepreneurship among youth. They did not acquire it in social life, peer life at school and university, or non-governmental organizations such as scouting.

## **Learnings from existing SE's**

A set of interviews with the representatives of Polish social enterprises was carried out in March 2023. The companies that took part in our research although dealt with a variety of activities, they were linked by very similar problems that they faced in the process of entering social entrepreneurship. The interviewees represented businesses ranging from a Playroom Mini Świat (Little World) in Sopot offering playrooms, organization of birthdays, daycare for children, and workshops for parents and children, to a ceramic workshop with a cafe for people with disabilities.

For almost all the interviewed entrepreneurs empathy, care for community or other personal traits, and willingness or ambition to leave a lasting impact or to solve a challenge in the society, were primary reasons to undertake social entrepreneurship. It is important to note, that motivations for acting in the field of social entrepreneurship evolve with time. While empathy is the primary motive for entrepreneurs, with years of running a company, a more mature spectrum of mobilization appears. It is striving to achieve sustainable development goals and, at the same time, a socially responsible economy.

The path leading to the presence in the social economy sector was varied - companies operating for a shorter period emphasize the market analysis model, and companies with a more extended period emphasize their own existential experiences that encouraged them to solve problems on a socio-economic scale.

Many SE representatives were unable to indicate how they chose their business model, others mentioned networking and conversations with experts in the field and/or other social entrepreneurs, as well as Ideation methods, design methodology and franchising. Most entrepreneurs relied on public funds and the critical role of experts and advisors. The effects of innovation were seen in a rather vaguely formulated brainstorming, which could be supplemented with a commonly declared market analysis. Partnership and teamwork were the main drivers of the company's success.



Among the features that are most important in this business, the following stand out: 1 establishing social relations with people and public institutions in rapidly changing economic conditions, in which free-market competition is a challenge, and 2 in this situation, the most important thing is to rely on relational capital. It is interesting to note that COVID and the war in Ukraine made it difficult to run a business, but the presence of Ukrainians in the Polish labour market was a favourable factor for surviving these problematic conditions.

### **Conclusions**

The social economy is the activity of social economy entities for the benefit of the local community in the field of social and professional reintegration, creating jobs for people at risk of social exclusion and providing social services. Youth in Poland are interested in social entrepreneurship to address climate change, poverty, inequality, and discrimination, and to create a better future. Although social enterprises in general are on the rise, they still constitute a small share of the Polish economy. Little is known of social enterprises launched and led by youth, however, based on the research carried out within the "Socially Agile" Project, there is an interest in social entrepreneurship and a willingness to leave a lasting impact. We hope to identify the areas that need significant improvement. It can be presumed that youth would expect to practice entrepreneurship, for which the academic and social environment does not create significant impulses.





# **3.CONCLUSIONS FROM COUNTRY REPORTS**

One of the aspects to keep in mind regarding the gathered data is the differences among the surveyed countries. The geographic spread, and other differences in legal framework, socio-cultural and historical background in all of these countries have created very different social entrepreneurship ecosystems. For the sake of this report, similarities and trends will be sought for on the questions that are comparable among the countries, but it is still important to remember that a more intricate explanation and comparison can only be made by taking a deeper look into context and the existing elements surrounding both youth and social economy.

# 3.1. PERSONAL EXPERIENCE AS THE BASE FOR HEIGHTENED CIVIC ENGAGEMENT

Youth demonstrate awareness and concern for social issues across various data categories. Not only do they prioritize working for employers who uphold social values but have also developed heightened awareness through global events in recent years (Corona-19, the war in Ukraine and the energy crisis). Moreover, when asked about their potential motivation for engaging in social entrepreneurship in the future, they predominantly highlight aspects related to social consciousness and civic responsibility. This indicates that the initial foundation for working on targeted fostering of social entrepreneurship is already in place.

Expanding on the previous finding, social entrepreneurs base their choice of challenges to address primarily on personal experiences, whether on an individual level or within their communities. This approach enabled them to develop suitable business models. The data collected from both surveyed youth and social entrepreneurs indicates that personal values, empathy, and a sense of responsibility towards community contribution serve as significant motivations for considering involvement in social entrepreneurship. Similarly defined, the data collected across the EU demonstrates that across all Member States, following one's passion/interest is by far the most-cited goal when setting up a business <sup>15</sup>.

Based on this, it can be inferred that engaging with the experiences and aspirations of youth should be the primary strategy for nurturing social entrepreneurship. This approach not only provides them with opportunities to earn a livelihood but also enables the development of essential skills for the job market. Achieving this might mean creating learning experiences and support mechanisms that are relatable to the realities of youth and relevant to their specific circumstances or interests.

<sup>&</sup>lt;sup>15</sup>Social entrepreneurship and youth.(n.d.)European Union. https://europa.eu/eurobarometer/surveys/detail/2670



### 3.2. YOUTH AND SOCIAL ENTREPRENEURSHIP

Even if the youth is aware of the social issues, there is a large gap in familiarity and understanding of the concept of social entrepreneurship - most surveyed young adults have responded that they either know nothing about it (from 11.5% in Greece to 45.33% in Poland) or have heard the term but know very little of it (from 34.6% in Greece to 59.3% in Cyprus). This is supported by data concluded in the Eurobarometer report "Social Entrepreneurship and Youth" - such a tendency is evident in the whole EU, averaging at 21% who know nothing and 43% who know "not very much". Taking into consideration that most youth were informed about this concept mainly in school/university 27%) and social media 21%).<sup>17</sup>

By combining these two insights, it can be concluded that policies should consider incorporating comprehensive and hands-on curricula that promote social entrepreneurship values and skills at all levels of education. It is important to acknowledge that enhancing accessibility and capturing the interest of youth may mean avoiding focus on motivating them to start their own ventures and instead offering generous learning experiences that can help them develop agility and resilience in the dynamic job market in general. This conclusion is supported by the fact that a majority of youth prefer being employed by someone else. When given the choice between different job types, 39% of the surveyed young individuals expressed a preference for self-employment, while 55% favoured working as an employee (preference for self-employment over working as an employee varies significantly across Member States, ranging from 20% in Spain to 64% in Cyprus). One more reason to focus on skills development is revealed in one of the most common answers among social entrepreneurs surveyed in this report - they think that the primary factor for their success was exactly business mindset and skills (average of 57.68% of respondents), followed by teamwork and support systems from the public or private sector 43.84% and 30.91%).

As discussed in the preceding chapter, a crucial objective in promoting social entrepreneurship among young people is to establish a relatable and meaningful connection for them with the topic. Although our research did not specifically inquire about the respondents' perspectives on this matter, the answers provided by existing social entrepreneurs (in the section about the wishes of aspiring social entrepreneurs) revealed a powerful message. These varied motivations and the challenges they have overcome can serve as a learning experience, inspiring young individuals to consider social entrepreneurship as a viable career option. By showcasing the positive impact achieved through their endeavours, social entrepreneurs can ignite the passion and determination of youth, encouraging them to pursue innovative solutions to pressing social and environmental problems. Additionally, this approach highlights the essential qualities and skills that need to be developed to navigate such a chosen path successfully.

<sup>&</sup>lt;sup>16</sup>Social entrepreneurship and youth.(n.d.)European Union. https://europa.eu/eurobarometer/surveys/detail/2670

<sup>&</sup>lt;sup>17</sup>lbid

<sup>18</sup> Ibid



# 3.3. SUPPORT MECHANISMS AND OTHER METHODS FOR FOSTERING YOUTH SOCIAL ENTREPRENEURSHIP

The level of advancement in social entrepreneurship varies among countries, making it a complex subject to delve into extensively. However, a common trend is evident - there is still significant work to be done in establishing a cohesive and comprehensive system for fostering and supporting in particular youth on the path of social entrepreneurship.

Considering the regulations and financial support provided by EU institutions, general support mechanisms for social enterprises are available in each country. These include accelerators, tax deductions, grant schemes, pitch contests, events, and other activities designed to motivate aspiring entrepreneurs and strengthen established enterprises. Education on this topic is also offered to varying degrees in schools and universities across most countries included in this report, although further development in this aspect is needed.

Amidst the variations, it is crucial to emphasize two significant trends. Firstly, there is a notable lack of dedicated support mechanisms specifically aimed at assisting youth in the field of social entrepreneurship. Currently, non-governmental institutions primarily undertake such targeted efforts through project grants (for example, the "INDIGISE" project, which focuses on providing innovative educational tools tailored to youth). To facilitate and enhance youth participation in social enterprises, it is imperative to plan and develop focused support programs that address the challenges related to youth employability, as outlined in the EU Youth Strategy?

One way to accomplish this is by integrating modules and courses across all educational levels to empower young individuals with the essential skills and knowledge required to pursue their entrepreneurial aspirations. Moreover, mentorship programs, particularly learning from existing social entrepreneurs as discussed in the previous chapter, along with targeted funding opportunities and grants specifically aimed at youth-led social enterprises, can provide the necessary resources for their initiatives. Additionally, networking events, conferences, and workshops play a vital role in facilitating collaboration and knowledge sharing among young social entrepreneurs, fostering a supportive ecosystem. To bring all of these elements together, advocating for policy changes and regulatory frameworks that promote and incentivize youth engagement in social entrepreneurship is crucial in creating an enabling environment.

<sup>&</sup>lt;sup>19</sup>Employment and entrepreneurship | European Youth Portal. (n.d.). European Youth Portal. https://youth.europa.eu/strategy/employment-entrepreneurship\_en



# 4.THE POTENTIAL AND USAGE OF AGILE METHODOLOGY

### 4.1. PRINCIPLES AND BENEFITS OF GILE MINDSET IN EDUCATION

The history of Agile methodology dates back to the early 2000s when a group of software developers came together and crafted the Agile Manifesto—a pivotal document that revolutionized the world of software development. The concept of Agile emerged as a response to the limitations of traditional, plan-driven methodologies. It emphasizes collaboration, adaptability, and iterative development to deliver high-quality software that meets the ever-changing needs of customers. Agile methodologies, such as Scrum and Kanban, have since gained widespread adoption across various industries beyond software development, enabling organizations to embrace change, enhance productivity, and foster a culture of continuous improvement. The concept of Agile has proven to be a transformative force, empowering teams to respond swiftly to market dynamics and deliver exceptional results.

The social economy is no exception - besides adopting Agile as a management tool in the daily work of teams in social enterprises, innovative approaches that adapt Agile methodologies to the realm of education are becoming more prominent. As the landscape of education evolves in the digital age, it becomes crucial to embrace flexible and collaborative frameworks that promote student engagement and success. In an era characterized by rapid changes, unpredictability, and complexity, students are stepping into a world that demands adaptability, agility, and problem-solving abilities.

Equipping youth with the necessary skills and a growth-oriented mindset becomes essential to navigate this ever-evolving landscape. This is where Agile learning design emerges as a powerful approach to effectively prepare students for the challenges and opportunities they will encounter in their future lives and careers, aligning their education with the demands of the 21st century. In the following paragraphs, we will present a comprehensive introduction to the basic principles of such an approach and the potential impact on education.

# What does Agile Learning entail?

Agile Learning refers to an approach that adopts the principles of Agile methodology in the context of education. It involves organizing the learning process into short, iterative cycles where the scope and requirements evolve over time. This dynamic framework embraces change and prioritizes continuous feedback, allowing for adjustments and improvements throughout the learning journey.



### **Principle 1: Student-Centricity - Placing Learners at the Heart**

The Agile Learning approach places students at the forefront, considering their needs, interests, and learning styles. It emphasizes personalized learning experiences that cater to individual strengths and challenges. By adopting a student-centric approach, educators can tailor instructional strategies, content delivery, and assessments to create an engaging and relevant learning environment.

### Principle 2: Iterative Development - Building Knowledge Step-by-Step

Within this approach, it is recognized that learning is an iterative process. It promotes breaking down complex concepts into smaller, manageable units of learning, sometimes it is defined as microlearning. Educators design learning experiences in iterative cycles, allowing students to build knowledge progressively. Each cycle includes feedback and reflection, enabling continuous improvement and deeper understanding.

### **Principle 3: Collaboration and Communication - Fostering Collective Learning**

Agile Learning encourages collaboration and communication among students and educators. It creates opportunities for cooperative learning, group projects, and peer feedback. By leveraging digital tools and platforms, learners can engage in real-time discussions, share ideas, and co-create knowledge. Collaboration fosters critical thinking, creativity, and social skills essential for success in the modern world.

### **Principle 4: Agile Assessment - Continuous Evaluation and Feedback**

Within Agile learning the process promotes ongoing assessment and feedback mechanisms. It goes beyond traditional summative evaluations and embraces formative assessments throughout the learning journey. Frequent feedback enables students to identify their strengths and areas for improvement. Educators adjust instructional strategies accordingly, ensuring personalized support and scaffolding for optimal growth.

### Principle 5: Adaptability and Flexibility -Embracing Change in Education

Agile Learning acknowledges the need for adaptability in the face of evolving educational contexts. It embraces change as an opportunity for growth, enabling educators to adjust instructional strategies and learning materials to meet emerging needs. Flexibility allows for the integration of new technologies, instructional approaches, and emerging trends in education, ensuring relevance and alignment with current realities.

#### **Principle 6: Continuous Improvement - Reflecting and Enhancing Practices**

All of the above instil a culture of continuous improvement in education. Educators regularly reflect on their instructional practices, seeking opportunities for refinement and innovation.





By analyzing student outcomes and feedback, they make data-driven decisions, enhancing learning experiences, and optimizing educational outcomes. Continuous improvement ensures the delivery of high-quality education in a dynamic and ever-changing world. It is evident that the used principles strongly reflect the skillset and mindset necessary for fostering and empowering youth to become changemakers, e.g. taking upon the challenge of creating one's own social enterprise. For this reason, in the next chapter, we will look into the layers of how these two could be synergized for the benefit of the greater good.

# 4.2. Overlap of Agile and SE

Neither youth nor existing entrepreneurs in all surveyed countries are familiar with Agile methodology - in total 87% of young respondents have very little knowledge about it (of these 62% have never heard about it, but 25% know nothing more but the name). And among social entrepreneurs, only 13.5% had used Agile methodology for innovating in their business environment (contrary to very popular brainstorming - 43.2% and design thinking - 40.5%).

Agile methodology and social entrepreneurship may seem like two distinct concepts, but they can overlap in several ways. Agile methodology<sup>20</sup> is a project management and development approach that emphasises flexibility, collaboration, and customer feedback, primarily used in software development. Social entrepreneurship, on the other hand, focuses on using entrepreneurial principles to address social or environmental challenges. Here are some points of overlap between these two concepts:

- Adaptability: Both Agile methodology and social entrepreneurs recognise the need to adapt to changing circumstances. Social entrepreneurs often work in dynamic environments where they must adjust their strategies to address evolving social issues. Agile's iterative and incremental approach allows teams to respond similarly to changing requirements and priorities.
- **Customer-Centric:** Agile strongly emphasises understanding and meeting the needs of the end-users or customers. Similarly, social entrepreneurs aim to create solutions that address the communities' needs and desires. Both approaches prioritise user feedback and incorporate it into their decision-making processes.
- **Collaboration:** Agile teams collaborate closely, fostering effective communication and teamwork. Social entrepreneurs often collaborate with stakeholders, including nonprofit organisations, government agencies, and communities, to create lasting, impactful change.
- **Experimentation:** Agile promotes experimentation and a willingness to fail fast and learn from failures. Social entrepreneurs may need to experiment with different approaches to solve complex social problems, using the same iterative mindset to refine and improve their solutions.

<sup>&</sup>lt;sup>20</sup>Denning, S. 2017, January 16. The age of Agile. Strategy & Leadership,451, 3–10. https://doi.org/10.1108/sl-12 2016 0086



- **Sustainability:** Both Agile and social entrepreneurship are concerned with sustainability. Agile's focus on delivering high-value increments aligns with the social entrepreneur's goal of creating sustainable, long-term solutions to social or environmental issues.
- **Empowerment and Inclusivity:** Agile emphasises empowering self-organising teams and inclusivity, valuing input from all team members. Social entrepreneurship often seeks to empower marginalised communities and include diverse voices in decision-making, promoting inclusivity and social impact.
- **Measurement and Evaluation:** Agile uses metrics to continuously measure progress and improve processes. Social entrepreneurs also use data and impact measurement to assess the effectiveness of their solutions and make data-driven improvements.

## Agile Learning: Enhancing Resilience for Aspiring Social Entrepreneurs

Agile learning is suitable for individuals and organisations that must stay agile and responsive to the constant flux of information, challenges, and opportunities in complex contexts. It can help individuals keep pace with new knowledge and skills while ensuring their learning efforts remain relevant and practical.

Agile learning<sup>21</sup>can be highly relevant in complex contexts, mainly when new knowledge is being developed. Traditional learning methods may not be as effective in complex environments, such as those with rapidly evolving technology, innovation, or novel challenges. Here are a few reasons why Agile learning is particularly relevant in such situations:

**Rapid Change:** Complex contexts often involve rapidly changing circumstances. Agile learning is designed to adapt and respond quickly to changes, making it well-suited for environments where new knowledge and information emerge frequently.

**Iterative Learning:** Agile learning emphasises iterative and incremental progress. This approach is beneficial when new knowledge is being developed because it allows learners to build on their understanding and skills over time, continually refining and improving their knowledge base.

**Experimentation:** In complex contexts, experimentation is often necessary to uncover new knowledge or solutions. Agile learning encourages experimentation, learning from failures, and adjusting strategies accordingly.

<sup>&</sup>lt;sup>21</sup>Edelkraut, F. 2019. Agile learning: Designs for an Agile world - Using Agile values and principles to handle complex learning topics.



**Collaboration:** Complex problems often require multidisciplinary collaboration. Like Agile project management, Agile learning methods promote collaboration, open communication, and cross-functional teamwork, making it easier for individuals to work together to generate new knowledge.

**Feedback-driven:** Agile learning strongly emphasises peer, mentor, or customer feedback. In a context where new knowledge is being developed, this feedback is invaluable for making adjustments and improvements.

**Adaptive Learning:** Agile learning allows learners to adapt their learning path based on their evolving needs and understanding. This flexibility is crucial when dealing with rapidly changing knowledge domains.

**Empowerment:** Agile learning empowers individuals to take control of their learning and decide what to learn and when to learn it. This level of agency is especially beneficial in contexts where learners need to take the initiative to acquire new knowledge.

# Empowering Resilience: How Agile Learning Motivates and Supports Aspiring Social Entrepreneurs

Agile methodologies have a transformative impact on the adaptability, problem-solving, and user-centric focus of aspiring changemakers. Learning Agile can motivate and significantly enhance the resilience of aspiring social entrepreneurs in several ways.

**Adaptation to Changing Environments**: Social entrepreneurs often work in dynamic and unpredictable environments. Learning Agile equips them with the skills and mindset to adapt quickly to changing circumstances. This adaptability helps them stay resilient despite unexpected challenges and disruptions.

**Iterative Problem-Solving**: Agile methodologies encourage an iterative approach to problem-solving. Aspiring social entrepreneurs can apply this approach to refine their solutions continuously. When their initiatives face setbacks or encounter unexpected obstacles, they can iterate and improve their strategies, enhancing their resilience.

**User-Centric Focus**: Agile emphasises a user-centric approach, where the community's or beneficiaries' needs and feedback are central. By staying closely connected to the endusers, social entrepreneurs can adjust their strategies to meet evolving needs better, ensuring that their solutions remain relevant and resilient.

**Risk Management**: Agile learning includes risk assessment and mitigation. Social entrepreneurs can use these skills to identify potential risks in their initiatives and develop strategies to mitigate or manage them. This proactive approach to risk helps maintain resilience by minimising potential setbacks' impact.





**Continuous Learning**: Agile <sup>22</sup> promotes a culture of constant learning and self-improvement. Aspiring social entrepreneurs who embrace this mindset are better equipped to learn from their experiences, whether they face success or failure. This ability to learn and adapt continuously contributes to their resilience.

**Collaboration and Support**: Agile methodologies stress collaboration and open communication within teams. Social entrepreneurs can leverage their team members' diverse skills and perspectives by fostering a supportive and collaborative environment. This collective effort bolsters resilience and provides a stronger foundation for overcoming challenges.

**Faster Response to Feedback**: Agile encourages rapid feedback loops. Social entrepreneurs can use this feedback to make timely adjustments to their strategies. Swift response to feedback ensures they stay on the right track and are better prepared to face adversity.

**Resource Efficiency**: Agile practices promote the efficient use of resources. This efficiency is crucial for resilience for social entrepreneurs working with limited resources. They can maximise the impact of available resources and adapt quickly to resource constraints.

**Empowerment**: Learning Agile empowers individuals to take control of their work. Aspiring social entrepreneurs can apply this sense of empowerment to take initiative, make decisions, and mobilise resources to enhance their resilience in addressing complex social challenges.

**Sustainability Focus**: Agile emphasises the delivery of value incrementally. Aspiring social entrepreneurs can apply this approach to their initiatives, gradually building and expanding their impact. This incremental progress contributes to the long-term sustainability and resilience of their efforts.

In summary, learning **Agile methodologies can motivate and empower aspiring social entrepreneurs to become more resilient** in the face of social entrepreneurship's everchanging and challenging landscape. It equips them with the skills, mindset, and strategies to adapt, learn, collaborate, and efficiently manage resources, all essential for long-term success.

With that said, in the following chapter of this document we offer potential uses and suggestions for using Agile as a methodology to foster social entrepreneurship among youth, with the goal of using these conclusions and vision in crafting an online learning experience for young people in the EU.

<sup>&</sup>lt;sup>22</sup>Udoewa, V. 2023. Redesign of a Service-Learning Social Entrepreneurship Program for High School Students Part II Prototyping a Hybrid Expeditionary Service-Learning Model.



# 5. CONCLUSIONS

Taking into consideration the gained data about youth in social entrepreneurship as well as the Agile principles in education, there are a few conclusions that highlight potential benefits and ways including Agile methodology in learning environments for increasing employability and resilience of young adults.

- 1. Social entrepreneurship remains largely unfamiliar to youth in the EU, as highlighted in the report. To address this, a highly effective opportunity for promoting social entrepreneurship among young individuals is the inclusion of curricula on this subject at all educational levels. Consequently, it logically follows that employing Agile learning methodologies would be a fitting approach to accomplish this objective.
- 2. By emphasizing social entrepreneurship as a pathway (not the goal), we can empower youth to become more resilient and agile in navigating the dynamic changes of the job market. Agile learning plays a vital role in facilitating swift adaptation to changes within an Agile environment. It cultivates flexibility, adaptability, and responsiveness while enhancing both technical and soft skills. This equips youth with the ability to effectively confront emerging challenges and meet evolving demands.
- 3. Within the realm of social entrepreneurship learning experiences, it is crucial to give priority to the cultivation of business skills and mindset. Adopting Agile as a learning methodology offers practical comprehension and firsthand experience with an effective approach to project (and business) management. Moreover, Agile methodology aligns with numerous skills indispensable for initiating and operating a thriving social enterprise. For instance, it emphasizes placing end-users at the core of the process, advancing gradually towards desired outcomes, embracing change, and maintaining continuous evaluation.
- 4. In addition to the skills mentioned above, fostering increased collaboration among learners is a crucial competency that can be developed through Agile methodology. Collaborative skills not only contribute to resilience in the social economy but also serve as a source of motivation and contribute to the overall well-being of youth. In today's modern world, disconnection is a prevalent issue that affects self-esteem, making it all the more important to emphasize and cultivate collaborative abilities.
- 5. Agile methodology provides a more engaging learning experience that improves learning outcomes among youth. Not only will they be able to learn more, but also the engaging process will increase their engagement and interest in the topic.





#### SUGGESTIONS FOR POLICYMAKERS ON LOCAL AND NATIONAL LEVEL

- **1. Concept fostering and education**. Fostering social entrepreneurship as an ongoing practice across all levels of education. Offer workshops, seminars, and training programs to help young people develop the necessary skills, as well as promote inclusion of the term in the formal and informal curriculums. This approach would not only equip youth with soft skills and an entrepreneurial skillset but also create awareness of the pressing challenges in society. Educating about the concept of social entrepreneurship will enhance their familiarity with it, increasing the likelihood of actual engagement in social entrepreneurship in the future and fostering their readiness to participate in such endeavours.
- **2. Agile learning design principles**. Stimulate adoption of Agile learning design principles to inspire learners, not only in the realm of social entrepreneurship but also across various subjects. Agile learning is an educational approach that aligns with the needs and learning styles of contemporary society. It helps maintain focus and motivation through short sprints and fosters a collaborative and learner-centric environment. By implementing Agile learning, we can promote the development of valuable soft skills alongside subject-specific knowledge.
- **3. Financial Support.** Youth-focused grants and funds, including seed funds, should become an essential part of the national support mechanisms. Establishing dedicated grants and funds that are exclusively available to youth social entrepreneurs is of vital importance to foster a relevant level of interest and engagement. These funds can help cover startup costs, research, development, and scaling.
- **4. Mentorship and Training.** Develop mentorship programs that connect experienced social entrepreneurs, business leaders, and experts with young entrepreneurs to provide guidance, advice, and support.
- **5. Establish Youth-Centric Incubators.** Create incubators and accelerators specifically for youth-led social enterprises, providing them with access to co-working spaces, resources, and guidance. Sometimes, these solutions can be combined with the existing infrastructure at the municipal level, like youth centres, libraries or conventional business or university incubators.
- **6. Youth Innovation Awards**. Create awards and recognition programs to celebrate and showcase the accomplishments of young social entrepreneurs. These awards can attract attention, resources, and partnerships.
- **7. Engage Youth in Policy Development, including a focus on SEs.**Include young social entrepreneurs in the process of designing policies and programs that affect their work, ensuring that their perspectives are considered.
- **8. Networking Events & Collaboration Platforms**: Organize regular networking events and conferences that bring together young social entrepreneurs, potential partners, investors, and mentors. Develop online platforms and tools that facilitate collaboration and resource sharing among youth social entrepreneurs.



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