HANDBOOK HOW TO START-UP THE SOCIAL ENTERPRISES FOR A SUSTAINABLE FUTURE WITH LESS CONFLICT



TITLE:

Handbook "How to start-up the social enterprises for a sustainable future with less conflict"

PROJECT:

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Project partners are:

- STICHTING MASTERPEACE, Netherlands
- Youth Power Germany e.V., Germany
- Association for improvement of modern living skills "Realization", Croatia
 - UNG KRAFT / Youth Power Sweden
 - Centre for Non-formal education and Lifelong learning (CNELL), Serbia
 - Wizard, obrt za savjetovanje, Croatia

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PROJECT SUMMARY

Project title: "Social entrepreneurship for a sustainable future with less conflict"

In the field of youth work, an ideal society could be described as a fully inclusive community of active citizens and full with social justice. Important aspect of peace-building is prevention of conflicts, that is also being achieved by creating local perspectives. We find social entrepreneurship as the key approach to it. As proven through our activities, young people are increasingly aware of their roles and responsibilities in society, and have become eager to earn money while doing something good for "the world".

Developing educational approaches on entrepreneurship, and particularly social entrepreneurship among young people is the core of this project. Using their past experiences with entrepreneurship education, the project partners are planning to develop new methods to address the needs and constrains of their target group – NEET youngsters, young women, the target group characterised by high level of unemployment, low degree of financial independence and social power, and very low involvement in managerial and entrepreneurship positions.

The project aims to change the situation described above by equipping youth organisations and youth workers with tools and approaches they can use to support entrepreneurship of young women in a way that is socially and culturally appropriate. The project gathers organisations that already have experiences of supporting young women to be socially and economically active and allows them to develop new ways of dealing with the challenges they have identified. When implemented, it will result in a strengthened support system for NEET / young girls, particularly from rural, more traditional and disadvantaged communities.

Project objectives:

- Empower our youth workers and improve knowledge management of youth work organisations in theory and practice for building competences of youth workers in social entrepreneurship for sustainable future with less conflict, for NEET youngsters, young women - through LTTA and innovative curriculum and online course for youth workers' training.
- Empower NEET youngsters, young women for social entrepreneurship start-up and quality social marketing of theirs, through development of inspiring, innovative and up-to-date handbook, toolkit, as well as the online courses.
- Exchange good practices and further develop quality strategic partnership among partners from 5 European countries with different realities in regards to youth social entrepreneurship for a sustainable future with less conflict.

Project activities are:

- A1 Project Management
- M1 Kick-off meeting
- O1 Curriculum "Social entrepreneurship youth work for a sustainable future with less conflict"
- M2 Second meeting
- O2 E-learning course for youth workers "Social entrepreneurship youth work for a sustainable future with less conflict"
- O3 Handbook "How to start-up the social enterprises for a sustainable future with less conflict"
- M3 Third meeting

- O4 E-learning course for youngsters "How to start-up the social enterprises for a sustainable future with less conflict"
- O5 Toolkit "Social marketing of social enterprises for a sustainable future with less conflict"
- M4 Fourth meeting
- O6 E-learning course for youngsters "Social marketing of social enterprises for a sustainable future with less conflict"
- M5 Fifth meeting
- C1 LTTA Training of trainers
- E1, E2, E3, E4, E5 Open conferences in HR, SE, RS, DE, NL
- M6 Final Evaluation meeting

At the end of this project, the project partners, as well as other organisations and stakeholders, will have at their disposal more effective tools and more competent staff to engage in entrepreneurship education young women who come from the most disadvantaged backgrounds.

Project partners are:

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1. Introduction and structure of the handbook

This handbook is envisioned as an innovative resource for both youth workers and youngsters who want to learn more about starting-up social enterprises and based on the newest developments in the field. The guidebook, therefore, deals with important social entrepreneurship for sustainable future with less conflict topics, including vision, passion, emotional intelligence, negotiation and creativity. The guidebook does not deal and focus only on typical topics, such as development of business idea or creating communication plan, but it includes the most recent developments in the field of social entrepreneurship and green entrepreneurship, the new era entrepreneurship.

The handbook is designed in a way that is very practical and informative, thus serving as theoretical and conceptual resource for youth workers and other educators when organising further education, training and mentoring of youngsters in changing their mind-sets and inspiring them for social entrepreneurship start-up, as well as it is a quality resource for NEET youngsters and young women themselves when starting-up a social enterprise.

The development of the handbook is conducted in cooperation with highly profiled experts in the field of social entrepreneurship, digitalisation and online tools on social enterprise start-ups. It basically is a stepby-step guide for successfully starting-up with social enterprises for sustainable development and peace building. The publication is an innovative resource focusing on social entrepreneurship with a strong connection in peace building and sustainable development concepts and practicalities.

1.1. Structure and content of the handbook

The "How to start-up the social enterprises for a sustainable future with less conflict" contain several chapters that include theoretical and conceptual information regarding social entrepreneurship in relation to peace building and sustainable development.

Besides the introductory parts on the project and the handbook itself, there are 16 chapters covering related topics and guidelines on start-up social enterprises for a sustainable future with less conflict. There are covered topics on conceptualisation of new era of economics and entrepreneurship, the connection of sustainable development goals and peacebuilding, the importance of competences for starting a social enterprise, the digital revolution and digitalisation in workplace, fundraising strategies and methods, and so on. In the end, there is a provision of different useful digital tools and examples of good practices using social entrepreneurship for sustainable development and peace building. Moreover, in the next parts of this handbook the following chapter are covered:

- New economics
- Social, ethical and green enterprise
- UN Sustainable Development Goals and Peace building
- How do social enterprises connect to strategic documents and SDGs?
- Sustainable Development concept and Social entrepreneurship a (mis)match?
- Needs research as the starting point for social entrepreneurship for sustainable development and peace building
- Model of "appreciative inquiry" (instead of problem solving) as a way to approach the local reality and initiate new ideas
- Digital Revolution A New Way of Doing Business
- Digital workplace benefits and risks



- Some digital tools for adaptation to Digital Revolution
- How to start a social enterprise (lean start-up method and digital strategy)
- Fundraising for social entrepreneurship start-up
- Competences for starting social entrepreneurship: competences of the future
- Managing a "green" social enterprise: balancing between efficiency and the "green" social mission
- Innovation and change management in social enterprise for sustainable development and peace building
- Examples of good practices using social entrepreneurship for sustainable development and peace building



2. New economics

2.1. Understanding the concept of economics

The concept of economics is introduced and developed several times since the early stages of the human existence. It started first in 8th century b.c. by a Greek farmer called Hesiod and it was related to the use of the farm's good and its allocation for the people's needs, and it continued further by other modern economic thinkers such as Adam Smith in 1776 through his book: "An Inquiry into the Nature and Causes of the Wealth of Nations".

Since then, the economy changes imposed updates on concepting the economy and economics. However, some key traditional concepts still remain. According to Investopedia (n.d.) economics is a social science concerned with the production, distribution, and consumption of goods and services. It studies how individuals, businesses, governments, and nations make choices about how to allocate resources.¹

Further, John Sloman, Dean Garratt, and Jon Guest (2018) explain that the economics deals with:

- The production of goods and services: how much an economy produces, both in total and of individual items; how much each firm or person produces; what techniques of production are used; how many people are employed.
- The consumption of goods and services: how much people spend (and how much they save); how much people buy of particular items; what individuals choose to buy; how consumption is affected by prices, advertising, fashion, people's incomes and other factors.²

Hence, it is basically the science that studies the economy, be it of a certain country or region or just the general behaviour of individuals related to the consumption of goods and services, the production and/or distribution. These concepts and disciplines of economics have a crucial impact on our daily lives regardless the fact that not all people are economists. The changes in economy, its crises and innovation, improvements have a significant impact on population's behaviour on supply and demand of the goods and services.

2.2. Economic challenges and changes

Nowadays, the world is facing severe challenges. Regarding the economic ones, it started with the recessions of the 1930s, continuing again in the 1980s, and the most recent one was the crisis in 2007-2008. Those crises mark a high unemployment rate and economy stagnation resulting that for the economists the focus to be in economic growth. However, with the involvement of different international organisations and missions in other profiles and topics, it is noticed that other aspects can have a significant impact on economic development. One of the aspects is the challenges with environmental protection and management. According to OECD (2019) report on economics, accelerating environmental crisis is without doubt the most urgent. The 2018 report of the Intergovernmental Panel on Climate Change has made clear that, to achieve the international goal of holding the average surface temperature rise to 1.5 degrees Celsius, global emissions of greenhouse gases must be halved by 2030, and reach net

¹ What is Economics: <u>https://www.investopedia.com/terms/e/economics.asp</u>

² Book: Economics (10th Edition) - Authors: John Sloman, Dean Garratt, Jon Guest (2018), Ch1. Economics and economies, pg.7

zero by around the middle of the century.³ This results in risking the biodiversity, lack of fertile soil and continuous pollution on the marine and air.

Another aspect is the rapid changes in technology that offer solutions for production processes, distribution, and different services which until now were organised by the working labour. It highly impacted the number of job opportunities which can be done by the people.

The globalisation is another aspect emphasised by OECD in its report in 2019. Investment and trade continue to shift to the south and east of the world, as large transnational corporations form complex global production networks and supply chains. The 'financialisation' of most advanced economies continues, with higher levels of private debt than in the past, higher returns to holders of share capital, and in some cases larger financial sectors relative to the rest of the economy. National financial regulation is made harder by the combination of a globalised financial system and new financial technologies.⁴

Besides the mentioned, there is also the aspect of demographic changes which seems as a challenge too. While the developed countries have organised the system of supporting non-working population (old people, and those who are not able to perform any working activity), they are also facing challenges with migration and support to that. All these analyses and researches show that there is a need for a new approach in economy, that differs from the traditional economics.

2.3. Towards New Economics

The new economics concept has been discussed and debated a lot in the past decade. An agreement to introducing an initiative on having a new economic approach has been adopted by many OECD member states. Besides the general agreement, the initiative involves a new economic approach that consists of three elements:

- A new conception of economic progress a deeper understanding of the relationship between growth, human wellbeing, a reduction in inequalities and environmental sustainability, which can inform economic policymaking and politics;
- New frameworks of economic theory and analysis a richer basis of understanding and evidence on how economies work, and new tools and techniques to help policymakers devise policy;
- New approaches to economic policy a wider set of policy and institutional reforms, based on the new frameworks and analysis, to achieve the new social and economic goals.⁵

The new economics defines a more inclusive approach towards the society and environment comparing to the old concept of economics which was more focused on economic growth regardless the harms in the environment or other aspects mentioned above. Indeed, the new economics has a strong impact on how businesses operate in the production processes of goods and services provision. In 2008, with the financial crisis occurring, the concept of having a more responsible entrepreneurship was highly considered and started to be practiced and expanded. Within the new economy, the profit of any business entity is not the biggest focus anymore. Instead, the cooperation, communication, environment impact assessment, and inclusivity are highly important.

³ Report by OECD: Beyond Growth – Towards a new economic approach (2019), pg.3

⁴ Report by OECD: Beyond Growth – Towards a new economic approach (2019), pg.3

⁵ Report by OECD: Beyond Growth – Towards a new economic approach (2019), pg.5



2.3.1. New economy and New Era Entrepreneurship

In order to better understand how new economic approach affected the entrepreneurship era, David Rae in 2009 presented a model with the characteristics of entrepreneurship in both 'old' and 'new' era. Through this table, Rae stresses out the importance on developing a more inclusive and sustainable entrepreneurship comparing to the old approaches that were more individualistic and profit focused enterprises.

'Old era' Entrepreneurship	'New era' entrepreneurship
Individual self-interest	Individual-team leadership
Free-market capitalism	Socially connected, community-minded and
Opportunity pursuit regardless of resources,	inclusive
ethics or consequences	Ethically responsible
Business driven by short-term financial profitability and growth	Opportunities create multiple forms of value: financial, creative, social, ecological
Value creation solely financial	Sensitive to resource stewardship,
Exploits and wastes resources	conservation & re-use
Exclusive role models of 'the entrepreneur'	Economically and environmentally sustainable growth
Founded on masculine attributes of aggression, power, competition	Feminine values: relational, collaborative, intuitive working complement masculine
Fuelled by dept	attributes of competition
	Grassroots enterprise and resourcing

Table 1: Characteristics of old and new era entrepreneurship (Rae, 2009)⁶

According to Rae (2009), there is still a high tension between the individualistic, free-enterprise model and more socially accountable, sustainable approaches which characterise the New Era. However, the concept of new era entrepreneurship, and sustainable approaches towards enterprises have been embraced in the recent years continuously and significantly.⁷

⁶ Journal: The Braybrooke Press Ltd. Journal of General Management – David Rae (2014), pg. 83-84

⁷ Journal: The Braybrooke Press Ltd. Journal of General Management – David Rae (2014), pg. 83-84



3. Social, ethical and green enterprise

The focus towards entrepreneurship subject has been constantly increasing in the recent years. The economists, business persons, educators, environmentalists, social workers and civil society organisations have been debating and discussing about the subject and transforming the entrepreneurship world into a more responsible one towards the globalisation, society, environment and so on. As previously mentioned, with the economy changes happening, the need for a new approach in economics was clearly needed. With the introduction of new era of economy and new era of entrepreneurship, different concepts to entrepreneurship are presented. There is still no definite version of an entrepreneurship definition, however similarities between existing definitions are present. It is the similar situation in defining types of entrepreneurship as it depends on the functionality and purpose of the activity. However, there are popular types such as social, inclusive, and green entrepreneurship. Very often, the term ethical is quite present.

David Rae (2014) when introducing the characteristics of new entrepreneurial learning⁸ and adaption of enterprises for a more inclusive, and sustainable approach emphasised that the world of entrepreneurship in the new economy should be consisting of the social, ethical and green aspects. Thus, giving an essential focus on having an enterprise that has the combination of social entrepreneurship, green entrepreneurship, and ethical in order to offer a better approach to the society, customers, partners, environment, teamwork and collaboration, as well as treatment in a working entity. This type of entrepreneurship offers products and/or services to reduce or correct environmental damage in a non-polluting way, using efficient methods of resources and ethically and socially inclusive way.

3.1. Benefits of having a social, ethical and green enterprise

A social, ethical and green enterprise is one of the key elements supporting new economics. According to IED (2020), With actions like the European Green Deal, we now notice that more and more budget is being allocated to programmes that promote environmentally friendly actions, leading to a series of investments that will help both create new green enterprises as well as change current policies for old businesses⁹. People that tend to enter the world of entrepreneurship are constantly searching for different methods on how their launched product/service will contribute to the environment protection and social problems. It is with certain that youngsters are the ones who better promote this concept and operational strategy, while for some people this concept is still unknown or confusing, and/or leading to the thoughts that a social and green enterprise happens only when one uses recycled materials or energy/wind/air power resources. Therefore, the education aspect is very important in order to avoid such confusion and increase the awareness towards people who want to transform their enterprises into a social, green and ethical one. The key benefits that a social, ethical and green enterprise consist of are:

- Economic
- Social
- Environment
- Ethical-based operation

 ⁸ Journal: The Braybrooke Press Ltd. Journal of General Management – David Rae (2014), pg. 83-84
 ⁹ IED 2020, Supporting Green Entrepreneurship: <u>https://ied.eu/blog/green-entrepreneurship-sustainable-development-for-</u>



3.1.1. Economic benefits

A social and green enterprise's principles are in increasing revenues, reducing costs and potential risks. Thus, going towards a sustainable economy which does not promote increasing costs in order to increase revenues but working smart and responsible by the smart-use of the assets and working materials. In this way, these enterprises' benefits focus on:

- New market opportunities such as creation of technologies and innovative approaches that can meet the sustainable economy needs.
- Supporting the increase of energy efficiency, water and other inputs which leads to cutting operational costs.

3.1.2. Social benefits

The social purpose is the core of a social, ethical, and green enterprise. Its mission is to use its products and/or services for a social issue or need such as contributing to peace building processes by involving people of different backgrounds in the work, or by creating jobs for young women from rural areas, and so on. Moreover, some of the key social benefits can be:

- Addressing the needs of a particular community;
- Promoting and contributing to an inclusive society;
- Promoting "Sharing is Caring" by using their incomes and profits for the social needs.

The financial profit is not the main motivation of these enterprises, but indeed a part of it in order to remain sustainable in the long-term operation. According to The Good Trade (n.d.), A successful social enterprise is one that balances the tension between upholding the social mission of their organisation and maximising the productivity of their business venture to ensure sustainability.¹⁰

3.1.3. Environmental benefits

An enterprise that considers functioning as social, ethical and green is beneficial to the environment and the globe. The benefits of such enterprises can be the following:

- Measure: reducing utility costs with energy efficient appliances;
- Utilise the processes of Recycle and Reuse for the materials and programmes;
- The renting and purchasing of the sustainable inputs that are carbon neutral or negative;
- Donate a percentage of the profit for the environmental policies and climate change initiatives, and so on.

3.1.4. Ethical-based operation's benefits

The ethical-based operation of an enterprise consists of numerous benefits for the community and the market, as well as for the team members and/or employees. The ethical based approach embraces the issues of environment, community development needs as well as responsible operation towards employees, shareholders, and buyers of its products/services. The ethical principles of an enterprise can differ from one another, depending on the industry they operate or the location and community they are serving. However, according to Lavelty and Littel (2020) some ethical principles can be:

- Service and advancement of society;
- Collaborative excellence;

¹⁰ The Good Trade (n.d.), What is a social enterprise? <u>https://www.thegoodtrade.com/features/what-is-a-social-enterprise</u>



- Gender equity;
- Elimination of prejudices.

Once the framework and foundation for an ethical and high-performing organisation has been established, other qualities and principles can easily be integrated as needed to further strengthen this framework, differentiate the organisation, and develop a sustained competitive advantage.¹¹

3.2. A responsible and ethical entrepreneur

The operation and impact of a social, ethical and green enterprise highly depends on the principles and qualities of the entrepreneur who leads the overall operation of the enterprise and the working team. The internal beliefs of the working team and the methods of production and value perception, reflect on the enterprises' performance in the outside. Thus, results its impact on the economy, social aspect, environment, as well as its own financial performance in comparison to other entities. According to Lavelty and Littel (2020), the foundational qualities of an ethical entrepreneur stand on three categories:

- Excellence;
- Fairness;
- Trust.

These categories contain its relevant qualities which have a significant importance on the enterprises' performance and impact on the society and environment. Below are presented the foundational qualities introduced by Lavelty and Little (2020):



Figure 1: Ethical entrepreneur – foundational qualities. Source: Entrepreneurship (2020), Chapter 3: The ethical and social responsibilities of entrepreneurs, pg. 128

¹¹ Entrepreneurship (2020), Chapter 3: The ethical and social responsibilities of entrepreneurs, pg. 128-129



4. UN Sustainable Development Goals and Peace building

The year 2015 marks a historical moment towards the transformation of countries' and people's future for a better life which includes balance in economics, environment, and social life. This occurred with the adoption of the so-called Global Goals which are better known as Sustainable Development Goals (SDGs). The leading agency towards the development of these goals is United Nations, and all member states of the UN Agency have adopted these goals as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030¹². Moreover, according to UN (n.d.), The Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet. They recognise that ending poverty must go hand-inhand with strategies that build economic growth and address a range of social needs including education, health, social protection, and job opportunities, while tackling climate change and environmental protection.¹³

There are 17 goals adopted and aiming to contribute the above-mentioned issues and challenges in our planet. The figure below, shows the exact naming and topic of each goal. It is worth mentioning that even though a specific goal is directly contributing towards a particular issue, it also impacts other topics. That is because the goals are designed in a way that represent inclusive approach and not harming the environment, or economy, or social inclusion while working towards other challenges improvement.



Figure 2: Sustainable Development Goals. Source: UN.org <u>https://www.un.org/sustainabledevelopment/</u>

 ¹² Sustainable Development Goals: <u>https://www.undp.org/content/undp/en/home/sustainable-development-goals.html#:~:text=The%20Sustainable%20Development%20Goals%20(SDGs,peace%20and%20prosperity%20by%202030.
 ¹³ Sustainable Development: https://www.un.org/sustainabledevelopment/
</u>

According to the Global Partnership for the Prevention of Armed Conflict (n.d.), the Sustainable Development Goals (SDGs) are relevant in advancing conflict prevention and building peace. They recognise the link between peace and sustainable development, calling for action in both areas. To be practically useful, SDGs need to be localised at the national and sub-national level, where the most effective changes can be achieved.¹⁴ With the positive transformation in today's world and accomplishment of the Sustainable Development Goals, the changes towards peace building and conflict preventions are embraced as well. Peacebuilding is indeed part of everyone's life and work contributing in a balanced and inclusive lifestyle. Therefore, addressing this issue, creating and support initiatives or projects that work towards a peaceful world is considered highly important for the SDGs.

4.1. How UN SDGs address Peacebuilding?

There is a high number of people who live in poverty due to a particular conflict that happens in the area where they live. The issues of conflict and violence cause a lot of damages in people's lives, starting from small damages, death, the need for movement to other places, economic difficulties and poverty. In order to avoid such issues and contribute in solving the existing ones, there are a lot ongoing and planned peacebuilding projects and initiatives coming from different institutions and organisations. However, international organisations with peace building missions, focus on such projects in a long-term basis.

According to UN (2019), Building peace, expanding freedoms, improving well-being and increasing opportunities for participation in the socio-economic life of their country help fulfil the potential of each individual and their capacity to contribute to society as a whole.¹⁵

UN SDGs have an essential role in addressing and working towards Peacebuilding. As for any other challenge, issue and topic, the way how UN SDGs contribute to causes, is by including them within the goals and dedicate specific funds and cooperation with others towards its accomplishment. Furthermore, UN tackle peacebuilding through the Peacebuilding Fund which is also linked and contributes to the SDGs. Looking at the Sustainable Development Goals in the table above, it can clearly be noticed that the most relevant one to peacebuilding is the Goal 16.



UN (2019) describes goal 16 as a goal that promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.¹⁶ This is the most relevant goal that contributes to peacebuilding. However, there is more than Goal 16 towards contribution to Peacebuilding. As mentioned in the first part of this chapter, the

 ¹⁴ Sustainable Development goals: <u>https://www.gppac.net/what-we-do/sustainable-development-goals</u>
 ¹⁵ Peacebuilding Fund Investment in SDGs, UN 2019,

https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/1907427-e-pbf-investments-in-sdgs-web.pdf

¹⁶ SDGs UN: <u>https://sdgs.un.org/goals/goal16</u>

Sustainable Development Goals are developed in a very inclusive nature and this makes them very interlinked with each other, thus by fulfilling and investing in certain goals, the other goals are also positively affected. Therefore, by observing the focus area of each goal, UN uses its Peacebuilding Fund beyond the contribution of Goal 16. Based on their report Peacebuilding Fund Investment in the Sustainable Development Goals (2019), the investment is distributed towards other goals as well, but mostly in the Goals 4, 5, 8, 10 as the goals that tackle education, gender equality, reducing inequalities and the one related to economic growth, as these are the issues that conflict affect the most.

What are these goals about?

- **SDG 4 on education** includes reference to discrimination in education, education on human rights and gender equality, promotion of a culture of peace and nonviolence and safe and non-violent learning environments for all;
- **SDG 5 on gender equality** aims to eliminate all forms of violence against women and girls, and ensure their full and effective participation in society;
- **SDG 8 on decent work** and economic growth aims to eradicate forced labour, modern slavery and human trafficking, secure the prohibition and elimination of the worst forms of child labour, protect labour rights and achieve equal pay for work of equal value; and
- **SDG 10 on inequalities** aims to promote social, economic and political inclusion and safe migration.

There are more goals considered important for the UN peacebuilding fund addressing the SDGs, and the causes of conflict. A significant importance and contribution by this fund are given to the following goals:

- **SDG 11** on safe, resilient and sustainable cities and public spaces,
- **SDG 6** on equitable access and management of water resources,
- SDGs 13, 14, 15 on management of natural resources and
- **SDG 17** which aims to build stronger multi-stakeholder partnerships for the Goals.¹⁷

Hence, the initiatives and projects that tackle the fulfilment of all the above-mentioned goals, are highly encouraged and supported by the UN and its peacebuilding fund dedicated to the UN SDGs which further emphasises the prioritisation of the UN towards meeting the objectives of the Agenda 2030 and SDGs.

¹⁷ Peacebuilding Fund Investment in SDGs, UN 2019, pg. vi,

https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/1907427-e-pbf-investments-in-sdgs-web.pdf



5. How do social enterprises connect to strategic documents and SDGs?

The European Commission defined social enterprise as an operator in the social economy whose main objective is to have a social impact rather than make a profit for their owners or shareholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. (European Commission, 2021) This definition gives an initial thought of the idea behind establishing a social enterprise or the form of operating. It also gives hints on how social enterprises uses their profit which stresses out the importance of addressing social causes that needs to be addressed. Social enterprises have a wide diversity when it comes to the fields they work. However, according to European Commission (2021), the main fields they are focused working are the following:

- Work integration training and integration of people with disabilities and unemployed people;
- Personal social services health, well-being and medical care, professional training, education, health services, childcare services, services for elderly people, or aid for disadvantaged people;
- Local development of disadvantaged areas social enterprises in remote rural areas, neighbourhood development/rehabilitation schemes in urban areas, development aid and development cooperation with third countries;
- Other including recycling, environmental protection, sports, arts, culture or historical preservation, science, research and innovation, consumer protection and amateur sports.¹⁸

It can be discussed that the fields the social enterprises work on are very inclusive and basically connecting to different topics and causes, as well as contributing to economic, environment, social pillars. This adds on the connection with recent strategic documents related to the mentioned pillars which are adopted by a big number of countries with a special focus on those introduced by UN and adopted by its country members in the recent years.

5.1. The connection of social enterprises to Agenda 2030

In order to be able to understand the connection of social enterprises to Agenda 2030, it should be clearly defined the concept of Agenda 2030 and its mission. This agenda is introduced by the UN, and defined as a plan of action for people, planet and prosperity. It also seeks to strengthen universal peace in larger freedom. It recognises that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development. All countries and all stakeholders, acting in collaborative partnership, are implementing this Agenda.¹⁹ Thus, the Agenda 2030 bases its purpose on its key pillars known as 5Ps which are:

- People
- Planet
- > Prosperity
- > Peace
- Partnerships

 ¹⁸ European Commission 2021, Social enterprises: <u>https://ec.europa.eu/growth/sectors/social-economy/enterprises_en</u>
 ¹⁹ UNDP 2021, 2030 Agenda for Sustainable Development: <u>https://www.undp.org/content/undp/en/home/2030-agenda-for-sustainable-development.html</u>

All these are broken down into the Sustainable Development concept through the Sustainable Development Goals. The purpose of this agenda is based on the realisation of the sustainable development goals, which are directly contributing to a transformation of the world for a better future and sustainable living.

What is the connection of social enterprises to this agenda?

According to UN world youth report (2020), because the mission of social entrepreneurs is the betterment of society, they may be led to invest in sector-level capacity and may actually encourage or enable complementary or even competitor organisations to grow to further a shared social mission — rather than focusing primarily on capturing a greater market share for their own organisations. Agenda 2030 as the main strategic document functioning recently and comprising of the economic, environment, and social pillars can directly connect its mission and funds towards the development of the social entrepreneurship. Having in mind the education as a key pillar for the capacity building and creating generations of change makers, the Agenda 2030 puts a special focus on the social enterprises led by youth. Furthermore, the UN world youth report in 2019 emphasises that an Integrated Development Solution Toward the 2030 Agenda examines youth social entrepreneurship through the lens of the 2030 Agenda for Sustainable Development. It also provides policy guidance to Member States for the development of national ecosystems supporting and leveraging youth social enterprises to the Agenda 2030 can be provided by looking at the pillars of the Agenda 2030 comprising of 5Ps

People

"We are determined to end poverty and hunger, in all their forms and dimensions, and to ensure that all human beings can fulfil their potential in dignity and equality and in a healthy environment." (UN, 2015)²¹ As mentioned above, the social enterprises the mission of social enterprises and entrepreneurs is the betterment of society. The connection of social enterprises with the People as a pillar of Agenda 2030 stands in the causes addressed in accordance to the society needs and the activities organised to increase their education and professional capacities, ensure equal rights and treatment.

Planet

"We are determined to protect the planet from degradation, including through sustainable consumption and production, sustainably managing its natural resources and taking urgent action on climate change, so that it can support the needs of the present and future generations." (UN, 2015) When it comes to Planet, the social enterprises connection is directly through the addressing of environmental issues, smallscale and large-scale projects related to recycling, climate change, as well as awareness about environmental protection, usage of recycled materials, friendly environments for animals as well as the usage of green spaces for plants, and so on.

Prosperity

"We are determined to ensure that all human beings can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with nature." (UN, 2015) This pillar is directly connected to the functionality of the social enterprises. Social enterprises' concept lies on the use of profit to address the society needs and not only for self-gain. In most of the cases, they address social inclusion and exclusion. Moreover, what makes it more connected to this pillar, is the fact that as they

²⁰ UN Sustainable Development – Partnerships: <u>https://sustainabledevelopment.un.org/partnership/?p=29430</u>

²¹ Transforming our world: the 2030 Agenda for Sustainable Development (2015), <u>https://sdgs.un.org/2030agenda</u>

address social causes, their strategic operation supports the sustainable growth and low impact on the environment.

Peace

"We are determined to foster peaceful, just and inclusive societies which are free from fear and violence. There can be no sustainable development without peace and no peace without sustainable development." (UN, 2015) As social inclusion is highly addressed by the social enterprises, the pillar of peace is indeed included and thus connecting the social enterprises with the purpose of the Agenda 2030. Peace building is certainly an element which the population in any country wants to perceive, and this directly links to the society needs that are addressed by the social enterprises.

Partnerships

We are determined to mobilise the means required to implement this Agenda through a revitalized Global Partnership for Sustainable Development, based on a spirit of strengthened global solidarity, focused in particular on the needs of the poorest and most vulnerable and with the participation of all countries, all stakeholders and all people. (UN, 2015) Another aspect worth mentioning about the connection of social enterprises and Agenda 2030 is the concept of partnerships and commitments. The Agenda 2030 includes the aspect of social enterprises in different initiatives which lie under the partnerships and commitments with other institutions. Such initiatives consist of educational programmes of youngsters for social entrepreneurship as a key element that addresses SDGs, promotion of youth-led social entrepreneurship, the initiative for entrepreneurs as social change makers, and so on.

However, the analysis for detailed and specific connection of the social enterprise to the Agenda 2030, the most accurate connection is by analysing the 17 Sustainable Development Goals which represent the 5Ps – pillars under which the Agenda 2030 works.

5.2. Social enterprises and SDGs

In the table below, it is shown the connection and contribution of social enterprises and the SDGs. The table focuses on how social enterprises address certain causes and issues that each goal addresses. Thus, this analysis and table design is considered as a very helpful aspect, especially when considering starting a social enterprise and searching about which goals are more relevant to be addressed with a particular social enterprise. It is worth noted that the connection or social initiatives that social enterprises address to a goal can be also contributing to other goals, as the nature of the SDGs is very inclusive.

	Social Enterprises' connection and contribution to the SDGs
1 ^{NO} ኮ ዮ የአትዮጵያ	 The social enterprise connection and contribution to this goal can be by initiating and implementing certain projects and long-term initiatives such as: education and training on production for the farmers living in poor rural areas; education and training, as well as encouraging for business for women in rural areas; inclusion of youth with fewer opportunities for the social enterprises projects and opportunities to work.
2 ZERO HUNGER	 The Zero Hunger goal can be linked mainly with the social enterprises focused in the field of food production and/or tourism. Such social enterprises can be: education and training for the marginalised groups in the field of agriculture; responsible production and promotion of local and global foods and traditions in food and tourism.



The ensuring of good health and promoting well-being goal can be tackled directly by the social enterprises working in sports education and activities, and those comprising of psychological topics, drug prevention, water and soil pollution and its prevention, as well as those social enterprises with focus on medical topics such as health care service providers.



The goal on quality education is a very approachable and connected with the social enterprises field of work. The contribution of social enterprises to this goal can be through provision of educational programmes in certain topics, promoting the concept of equal treatment and social inclusion through their programmes, as well as focusing on rural areas and targeting non-privileged groups in their projects.



The contribution to this goal is very essentially considered by the social enterprises. Social enterprises address social causes, but the inclusion and gender equality are key principles of a well functioning social enterprise. However, that is not the only way how social enterprises contribute to this goal. The contribution stands also by addressing the Gender Equality topic through potential offered programmes:

- education and encouragement of women for leadership position;
- offered programmes that educate people to end the discrimination, violence, trafficking, and other types of exploitation;

- promote and work towards proper legislation that meet the objectives set by SDG5.



Even though social enterprises are not decision makers when it comes to having a sustainable and well functioned management for clean water and sanitation, its contribution in this goal is still valid. Social enterprises addressing the topic of clean water and availability for everyone, can be the main collaborators with the responsible institutions to work towards this issue. Their work can be in the research fields, as well as assisting in creating a sustainable water management. Moreover, the protection of mountains, lakes and other natural resources is significant contribution to this goal.



The contribution of social enterprises to the affordable and clean energy is related to the provision of programmes and initiatives in promoting and advocating towards a share of renewable energy in a wider geographical level. Education and increasing awareness is also highly important for the social enterprises to tackle through their work, as well as cooperation with communities, public and private institutions.



This goal is one of the most covered ones by the social enterprises until now, and it is for certain due to the concept of profit usage that the social enterprises practice, as they have a very inclusive approach when it comes to the employment opportunities given to non-privileged groups, the use of funds to meet social needs in a particular community, and the ethical way of running an enterprise.



The process of innovation is always a challenging step, especially when dealing with issues that require change in system, in this case in industry and innovation. The role of social enterprises towards accomplishment of this goal relates to the educational programmes and trainings in industry innovation and infrastructure, as well as provision of services to the responsible authorities in this regards. Such programmes and initiatives are significantly important and long-term causes to be supported and adopted by the social enterprises.



Besides ensuring the adoption of this goal into its strategical operation, the social enterprises can connect to this goal towards promotional and advocating campaigns, educational programmes, as well as cooperation with decision making institutions in

order to expand the impact in a municipal or city level. Here, a significant contribution relies in the adaption of policies and law enforcement for reducing inequalities.



The connection of social enterprises to making cities and human settlements inclusive, safe, resilient and sustainable stands in the networking of different actors and contributors into addressing the needs of the community and adapting the development plans in accordance to those needs and sustainable strategies. There are existing networks in Europe working with this topic and making efforts into expanding in more countries and cities.



This is one of the most covered goals by the social entrepreneurship. Social enterprises can connect to this goal by adopting it to the production or services they provide. It can be even a social enterprise that produces small tools, crafts, to those providing higher services or producing in a wholesale. Besides this, some social enterprises can be a big promoter of other entities that have responsible consumption and production through the provision of promotional campaigns, green fair, and so on.



There are already many existing social enterprises that tackle climate action in countries such as Germany, Sweden, Russia, United Kingdom, and so on. According to Seforis (2015), social enterprises create awareness, change attitudes, change patterns of behaviour and consumption and develop innovative technologies and solutions. Through this, they contribute to paving the way towards political decisions and hopefully to a shift towards a more environmentally and socially sustainable communities and societies.²²



This goal is a very important one to tackle and dedicate work. There are not many initiatives dealing with the life below water in comparison to the ones belonging to other SDGs. However, they still do exist. Social enterprises work and dedication to this goal links directly with the management of fish nets that are discarded and lost in the oceans, innovative approaches to trawling, raising awareness campaigns for the pollution of water and so on.



Social enterprises working with nature protection, responsible use of natural resources, plants and so on, are of high importance to the achieving this goals objective. Educational programmes, production, awareness campaigns can take place for the contribution of this goal too.



The contribution to this goal through social entrepreneurship can differ from country to country, but the networking is the most impactful one and especially through the involvement of different sectors. The initiatives such the inclusion of disadvantaged communities in the labour market, research initiatives, and cooperation through addressing peace and justice is much easier through networking of entities and individuals with similar mission and vision following.



This goal is the most difficult one when it comes to the connection and contribution of the social enterprises, for the only cause that it consists global partnerships between different institutions and governments. Thus, it goes beyond the scope of work that most of social enterprises do. However, in certain cases the small partnerships and contribution of the social enterprises related to the other goals, can indirectly influence the meeting of the objectives corresponding to this goal.

²² Social enterprises that fight climate change (2015), <u>http://www.seforis.eu/news/2015/12/27/discover-17-social-enterprises-that-fight-climate-change</u>



6. Sustainable Development concept and Social entrepreneurship – a (mis)match?

The previous chapters have clearly emphasised and led to understanding that social entrepreneurship and sustainable development cross their paths in the work. While sustainable development supports environmental, social and economic pillars, the social enterprises are already established to address necessary social, economic, and environmental causes through the use of their profits. It is challenging as the social entrepreneurs have to also think about the innovative aspect of their product/service as well as operating strategy in order to attract people to buy their product/service. Still, the social entrepreneurship has been one of the biggest promoters of the sustainable development. As described in the previous chapter, the connection of social entrepreneurship to the sustainable development goals was very significant and there are already many existing examples that prove this statement. It leads to an understanding that the concepts of the sustainable development and social entrepreneurship do match.

"The SDGs are not attainable by any one organisation by design. Achieving them will require collaboration across sectors, organisations and individuals dedicated to improving the human experience for all. Social enterprise balances sustainability and impact, paving the way to realise a long-term vision with measurable short-term steps." Tori Samples, CEO at Leaf Global Fintech²³

However, there are some studies that consider these two concepts as mismatching when it comes to the practical functioning. Sustainable development aims to address challenges of ending poverty, reducing inequalities, and so on which are more present in the developing countries. On the other hand, social enterprises do address those challenges as well, but they lack of presence in developing countries, as well as support from the governing bodies in those countries. Thus, these can be considered as a mismatch between these two concepts when it comes to the implementation, or it can also be named as aspects that need improvement. In addition, below are presented some of the key aspects that can negatively influence the matching between sustainable development and social enterprises.

• Some social enterprises lack education about the concept of sustainable development and the Agenda 2030, and its importance

According to a study by United Nations Industrial Development Organisation (n.d.), a number of enterprises openly refer to the SDGs in their work, while some of them are not fully aware of the 2030 Agenda. Others are indeed aware of it but it currently serves exclusively for internal organisational scope and impact measurement, and the connection has not been publicly communicated yet.²⁴ This is a result of lack of education and awareness about the Agenda 2030 content and the concept of having a sustainable living and future transformation. Indeed, this phenomenon is more present in developing countries, while in the cases that the enterprise does not embrace this concept into its operational strategy might be either due to lack of capacities, or other unknown and non-ethical reasons.

 ²³ Next Billion (2018), Why social entrepreneurship is vital to the SDGs, <u>https://nextbillion.net/social-entrepreneurship-sdgs/</u>
 ²⁴ UNIDO (n.d.), The role of social entrepreneurship as a key driver of the Agenda 2030, <u>http://www.ra-</u>
 <u>un.org/uploads/4/7/5/4/47544571/6</u> unido the role of social entrepreneurship as a key driver of the agenda 2030.pdf

Lack of desired number of Social Enterprises in developing countries – lack of focus in developing world

As the concept of social entrepreneurship is more popular in the developed countries and more social enterprises are established continuously, the developing countries do not have the same statistics. It may be due to the struggle with traditional business way of functioning, due to difficulties in economic development, or other aspects. However, since the operation of social enterprises are mostly in the developed countries, there should be initiatives that expand the focus of social enterprises in developing countries as well, in order to be able to address challenges of decent growth, ending poverty, reducing inequalities, and so on.

• The need of government to support the matching between the concept of sustainable development and social entrepreneurship

The social entrepreneurs' way of operating is highly connected and helpful to the causes addressed by the sustainable development. However, their efforts lack of support by the governments in the countries they operate. The governments also have their task cut out to help remove hindrances from the path of social entrepreneurship through policy making. It is also suggested that governments should play a lead role in creating social incubators, which hold the potential for social change. Also, by supporting and facilitating focused educational institutions to further the cause of education and research in entrepreneurship, the governments can provide a major nudge to social entrepreneurship, thereby contributing towards the cause of sustainable development.²⁵



²⁵ Social entrepreneurship as a Path for Social Change and Driver of Sustainable Development (2019), <u>https://www.researchgate.net/publication/331207048_Social_Entrepreneurship_as_a_Path_for_Social_Change_and_Driver_of_Sustainable_Development_A_Systematic_Review_and_Research_Agenda</u>

7. Needs research as the starting point for social entrepreneurship for sustainable development and peace building

"Young people not only want to do well, economically, they want to do good, socially and support communities and help the ones left on margins."²⁶ Mr Elliot Haris, UN Chief Economist and Assistant Secretary-General for Economic Development

Nowadays, young people are not only considering the career development and optimisation, instead, they are the generation of change makers in the society and the planet. Still, they need to be empowered from the start of their entrepreneurial journeys in a systematic way through policy, financial, educational, cultural, market or mentoring support systems (national or local ecosystems). Youth workers need to recognise their supporting role in entrepreneurial learning and development of future youth entrepreneurs from the beginning. Being just young, passionate and inspired to create employment opportunities in the frame of SDGs toward eradicating poverty, inequality, protecting and restoring environment and raise chance for sustaining peace, usually is not enough. Facing the problems that the world cannot solve for decades can raise many doubts and questions, if the change is possible or not. SDGs needs to be taken to the ground, localised and used as inspiration. It is important to raise awareness and competences of young people needed to analyse local issues in a constructive way, recognise challenges ahead and uncover possible solutions in designing their dream business. "One key finding is that social entrepreneurs are most effective when they work closely with communities to find local solutions to local problems. The success of social entrepreneurs is connected to their intimate knowledge of the local context, including social needs, norms and networks."²⁷ Even more, the core of social, green, ethical entrepreneurship is to listen and answer to the needs of local community. Service or products social entrepreneurs offer need to respond to existing social and/or environmental problem(s).

Need research and analysis serves to crystalize a purpose of future youth enterprise and to make discussions where actually the change is possible.

Local context analysis and need assessment for problem-solution approach

To start thinking about possible solutions that can generate environmental, social and economic impact for the local community, young people - as initiators of the social enterprises - first need to understand the problem they want to face with their enterprise. This will enable them to create a context picture of the initial conditions, local needs and environment to fit in their future business idea. After knowing what sustainable development is, first homework young people need to do is to get as much information about the reality in which they want to be the next change makers. Sometimes, they represent their target group (e.g., majority of Roma females living in poverty and economic dependence compared to non-Roma population same gender and demographics caused by existing cultural norms, low education status, no job market for their capabilities). Other times, young people living in specific social environment get the feeling of injustice or lack of life in dignity in other people's life.

 ²⁶ Official Launch of the 2020 World Youth Report: Youth Social Entrepreneurship and the 2030 Agenda
 <u>https://www.youtube.com/watch?v=crc13-uvhFQ&list=PL5B1F82908B36B780&index=6&ab_channel=UNDESADISD</u>
 ²⁷ Official Launch of the 2020 World Youth Report: Youth Social Entrepreneurship and the 2030 Agenda; p.74-75

Below are some elements and phases to be considered before the creation of a specific entrepreneurial idea starts:

Identifying the issue

In order to firstly identify the issue, the following questions can be asked for guiding: Which problem in local reality we wish to address? What are the main concerns of the people with(in) that specific problem? How significant and urgent they see this problem? How big is the problem, how relevant for the local community in general?

Suggestion: When using official statistics for data collection, one should have in mind that those rarely allow conclusion about young person's local community and neighboured area or about intimate life story members of vulnerable groups. Thus, it is recommended to add observations, interviewing or storytelling as methods to perform in order to collect data relevant for answering those questions and identifying the issue that the new initiative / social enterprise will deal with.

> Analysing the problem

Guiding questions: Which specific local conditions are causing the problem? What are the effects of it? Where are possible points to bring about change? How the situation can improve?

Suggestion: If possible, it is important to identify all the actors by consulting the experts, exploring existing studies on the issue, interviewing those affected by the issue.

Defining the target group

Guiding questions: Who will benefit and how will benefit if the identified problem is solved? Who is the direct and indirect target group and beneficiaries? What are their specific needs and requirements?

Suggestion: When collecting data about the existing status of needs and challenges that the specific target groups have (social, educational, financial status, geographical background, and so on), it is recommended to have in mind that it is equally important to evident their strengths, resources and the development capacities.

Recognising the relevant influences on the solutions to the issue

Guiding questions: Which stakeholders should be involved in contributing to addressing and solving the identified problem/issue? What would be each stakeholder's role in the process? Whose influence needs to be in consideration when it comes to addressing the problem and/or possible solution?

Suggestion: After making a list of possible stakeholders (institutions, local politicians, business owners, parents, representatives of young people / NEET, minority groups, marginalised groups, etc.) it is important to assess their influence. This can be done through the use of different methods, like surveys, interviews and focus groups. It is recommended to realise where the potential of different stakeholders lies, what are their weaknesses, how they can be a resource or a threat to possible solutions to the issue identified.

Exploring the areas for cooperation

Guiding questions: What are the existing solutions in the local community? Which results they have reached so far? Which further impact is expected and/or possible with those existing solutions? Which are the opportunities for collaboration with existing actors? What are other possible relationships, networks that can be of a support for those actors?



All the questions above can be answered by using different problem-to-solution methods. In problemsolution approach, a need is understood as a lack of something, a niche that makes a possible place for addressing something. Needs research methods for collecting data vary from observation, interviews, focus groups and community group discussions to surveys. The more stakeholders are engaged in assessing needs and challenges, the more ownership they can feel later for possible solutions and become part of the support net of the social entrepreneurship development and growth.

After analysing causes and effects, it is possible to continue with the starting point to brainstorm solutions with capacities available to young person and their social environment.

One important aspect to explore about young people who wish to bring a social improvement in their local communities or go globally, are their capabilities, strengths and skills or even previous experience of living in particular circumstances or practical work.

To leave no one behind and meet the needs of all young people, it is important to also recognise the contextual factors and barriers, individuals experience within this ecosystem. One can use entrepreneurial education for researching potential constrains and needs in making a viable social venture.

This is why it is so important to put the idea in front of the community and involve all possible stakeholders from the start. So, before digging into the local context, it is recommended to get to know the peers, the youngsters in the community well; and to support them into the self-discovering of the hidden interests, potentials, resourcefulness that they have. That would contribute not only in correctly addressing the needs of the local community, but as well in discovering the potential of the community members, creating space for a social enterprise that would highlight the hidden talents, contribute to the job creation and economic development. Having a dignified job and economic stability are cornerstones of sustainability and development in fighting poverty, prosperity and peace.





8. Model of "appreciative inquiry" (instead of problem solving) as a way to approach the local reality and initiate new ideas

The adaptation to the market changes and advancement is becoming a need for businesses' operation strategies in order to remain stable and competitive in their industry. It has become the foremost duty of every business to play positive and do everything needed to prove that they are the best at what they do.²⁸ However, it is not considered very valuable if the success is perceived only by the business leader. People who work or cooperate in a particular business are the ones who make the successes of the business possible and visible in the market, thus they have to be the ones experiencing the results and feeling good about it. In this way, their motivation will increase and their performance will improve in the future as well. This aspect is considered very important in the future strategical steps for the new ideas' generation since people are the ones managing and leading these processes. Nowadays, businesses do not start the idea generation by having the main focus on the problem analysis and solution, but rather focusing on the strengths of the businesses and key achievements. This method is known as the "appreciative inquiry" to approach the local reality.

Appreciative inquiry methodology

Methodology based on appreciative approach to social and/or environmental challenges existing in local realities is drown from positive psychology principle of Martin Seligman (2006)²⁹. Its values and assumption are that every person/organisation/community has something that works well - the strengths. It was first used as a transformative tool for organisational improvement and encourages positive critical thinking.

Appreciative inquiry creates different mind-set, shifting from looking at gaps and problem-focused deficit approach toward identifying all possible hidden/undervalued resources to become young entrepreneurs with innovative solutions to social aspects, sustainable development and strengthening peace. It means that young people start their journey for social innovation thinking about what they already have and not what's missing, lacking. The issue is not only about looking at the problem and trying to fix it. In order to bring change towards life and work in dignity, which is the purpose of social entrepreneurship, people should start with potentials and what's already working well - that also connects people. In developing countries and rural undeveloped regions, where young people live in poverty and exclusion, this approach is used as well as a tool for motivation, mind-set change and bringing young people even closer to the concerns of their communities.

The figure below, represents the key aspects of the appreciative inquiry and the differences with the problem-solving approach.

²⁸ Role of Appreciative Inquire in successful organisation (n.d.), <u>https://management-training-guru.com/2012/05/role-of-appreciative-inquiry-in-successful-organisation/</u>

²⁹ Seligman M., 2006, Learned optimism, Vintage Books, New York



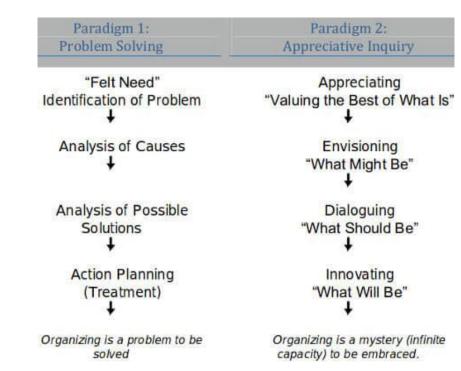


Figure 3 – Appreciative inquiry vs Problem Solving, Source: <u>https://positivepsychology.com/appreciative-inquiry/</u>

As mentioned previously, the figure also embraces the fact that appreciative inquiry is about appreciation of the existing values and not directly in the identification of the problem. It goes beyond the analysis of causes. Instead, it envisions the future possibilities for change. Moreover, appreciative inquiry deals with dialogue of the potential steps to move further and analysis of the innovative approaches, while the problem-solving approach is based more on the action planning on solving the issues. In order to manage to address the local needs and new initiatives, appreciative inquiry uses the following phases:

Discovery – The discovery phase is about identifying and realising the best that the organisation possesses. This is all about active inquiry, and internal stakeholders can ask each other questions to discover what Ludema and colleagues call "the best of what is". While this is focused on uncovering strengths, it's also a useful way to shift current mind-sets and vocabulary away from deficit-focused thinking.³⁰

Dream – This phase is about looking for the future of the organisation by looking at the different perspectives and opinions. Dreaming is about discovering the positive outcomes in the organisation.

Design – This phase comes right after checking the possibilities. It continues after the 'Dreaming', where the options that look more realistic to be implemented are being into consideration and approached for further design.

Destiny – The final phase of the Appreciative Inquiry is the usage of the feature "through the use of innovation and action". The vision, system, or structures that have been designed are committed to as possible means of achieving them are further refined through individual commitment.³¹

³⁰ Positive Psychology (2020), Appreciative inquiry <u>https://positivepsychology.com/appreciative-inquiry/</u>

³¹ Positive Psychology (2020), Appreciative inquiry <u>https://positivepsychology.com/appreciative-inquiry/</u>



9. Digital Revolution – A New Way of Doing Business

The work between people and businesses is experiencing a lot of changes due to the use of digital technologies. This phenomenon is expanding rapidly all across the globe and definitely impact the way how institutions and businesses work. It also brings the needs for new skills development for the working labour. The traditional way of doing business is still ongoing and functioning for many small businesses. However, when it comes to bring innovative approaches and expanding their operation, they undoubtedly have to go DIGITAL, especially when regional and international market is being targeted.

What exactly is the meaning of 'Digital' for businesses' operation?

According to the Australian Digital Transformation Agency - DTA (n.d.), 'Digital' means using online technologies to improve services for people and business. It also means using data and technology to redesign how government works. We will use data and technology to rethink how we deliver value, how we operate and our organisational culture.³² The digital way of business is present all over the world, starting from the most successful businesses to the small and medium ones. Nowadays, people even establish their start-up businesses by using digital strategies and online technologies.

The digital transformation in their business strategies is developed in a way to meet the customer needs and expectations, as well as exceed them. The process of digital transformation redefines the traditional way that industries function and the way they work, also the way the individuals purchase and approach businesses.

9.1. The 'Adopting' and 'Adapting' in the digital era

The digital revolution, as mentioned above, is constantly changing and expanding. Due to this fact, businesses have to consider two things when going digital:

1. Adopting the technology in their business models

Adopting the technology in the business models is crucial for businesses to perform well in front of its competitors. It is considered a good step towards the business expanding operation, as well as customer reach. Moreover, adopting the technology in the operation strategy means that the business has to integrate it in the process of service/product creation, launching, and delivering. It also involves the adoption to the customer relationship management, networking, communication, collaboration and work with stakeholders, and so on. It is worth mentioning that a business must be adopting technology in its business strategy and model before the potential customers already adapt to it through other companies and/or markets.

2. Adapting to the technology

Adaptation to the technology means that businesses have to be always agile to react upon technology changes and being able to perform those changes in their business digital strategy. This is considered highly important having into consideration the competitive advantage that other businesses might obtain and that might occur in customer loss or dissatisfaction, but also for the impact it may have in the service

³² DTA, The impact of digital revolution, https://www.dta.gov.au/digital-transformation-strategy/impact-digital-revolution

provision, product delivery systems, and the position and reputation in front of partners, stakeholders, and so on.

In order to be able to adopt and adapt, the transformation of skills and competencies of the employees and business leaders should be in accordance too. Without the transformation of skills and competencies, no business can afford investing and/or starting digital business model and succeed.

A very important aspect in the digital revolution is considered the cross sectoral cooperation. The importance of this aspect stands in the need of policy adaptation by the decision-making structures in order to support the digital way of business functioning be it in national level, regional, and international market. The digital revolution is growing, and the flexibility of businesses to adopt and adapt to it will also increase and thus reflect particular economic and social preferences.

According to the International Monetary Fund - IMF (2018), the digital revolution should be accepted and improved rather than ignored and repressed. The history of earlier general-purpose technologies demonstrates that even with short-term dislocations, reorganising the economy around revolutionary technologies generates huge long-term benefits. This does not negate a role for public policies. On the contrary, it is precisely at times of great technological change that sensible policies are needed.³³ Thus, it should be clear and understandable that digital revolution is not only about the use of technology methods and strategies for the businesses to operate. On the contrary, it is all about appreciation of people, values, and the abilities to easily adapt when needed by using information and technology.

³³ IMF 2018, The long and short of the Digital Revolution, <u>https://www.imf.org/external/pubs/ft/fandd/2018/06/impact-of-</u>digital-technology-on-economic-growth/muhleisen.htm



10. Digital workplace – benefits and risks

The time when workplace was considered only a certain building, office space, or a physical space is not anymore valid. Nowadays, with the digital transformation and innovation adopted by a large number of businesses and institutions, this concept has changed a bit. The workplace has transformed itself into an environment which is not physical but a real work is taking place, digitally.

10.1. What is a Digital Workplace?

According to LumApps (2021), a Digital Workplace goes beyond the limits of a physical office. It provides for knowledge sharing and collaboration in many new and effective ways. It is a connected environment providing access to everything employees need with the help of digital technology.³⁴ Moreover, Deloitte (n.d.) indicates that in order to accurately reflect their staff's changing work experience, leading organisations have begun to implement an entirely new working environment – the digital workplace. By integrating the technologies that employees use (from e-mail, instant messaging and enterprise social media tools to HR applications and virtual meeting tools), the digital workplace breaks down communication barriers, positioning one to transform the employee experience by fostering efficiency, innovation and growth. The key to success, however, lies in the effective implementation of a digital workplace strategy capable of driving true cultural change.³⁵

The digital workplace is an evolution and advancement of the definition of a working place. It involves the use of different tools, methods, innovative methodologies of operation, technologies and platforms that working people need in order to well-perform in their businesses. Based on all the described information and conceptualisation of the digital workplace, it can be clearly stated that it has many benefits for the businesses and employees.

10.2. Benefits of Digital workplace

Coming in as a key part of an organisation, digital workplace has a lot of benefits to be obtained. According to LumApps (2021), some of the core benefits that a well-functioned digital workplace offers are:

Increased Flexibility – flexibility is an important part of an employee's dynamic life and work. It is something that employees usually would enjoy, as it will allow them to connect to work from anywhere and anytime while not missing some important life events as well.

Reduced Operational Costs – while transforming physical meetings to virtual ones, costs related to travel, refreshments, as well as office equipment purchase, space renting are all reduced.

Improved Productivity and Efficiency – while having adopted digital tools to work and share files between employees, the productivity and efficiency is increased as well, and this is for the main fact that the employees will connect whenever they have more concentration and feel more productive to work, while having in mind possible deadlines. Thus, any part of the day can be the time when they can work, and avoid spending time travelling to the working place.

³⁴ LumApps (2021), What is a digital workplace? <u>https://www.lumapps.com/solutions/digital-transformation/what-is-digital-workplace/</u>

³⁵ Deloitte (n.d.), The digital workplace, <u>https://www2.deloitte.com/content/dam/Deloitte/mx/Documents/human-capital/The_digital_workplace.pdf</u>



Increased Revenue – while the operational costs are reduced and the organisations can well-manage their digital workplace to be efficient and productive, indeed the revenues will result higher than having a high number of costs to pay.

Enhanced Communication and Innovation – having adopted digital communication tools for the communication of the employees, as well as feedback and support tools for the employees to express their ideas and opinion, it obviously helps the communication within the organisations to be improved. It also gives space for each employee to contribute with new ideas which can result in innovative approaches and/or product/service optimisation.

Strengthened Talent Recruitment and Retention – young people are very connected to the digitalisation. Their expectations towards their working environments are getting higher constantly. Thus, transformation to digital workplace, can result in attraction of the most skilled employees, or those with high willingness to develop and innovate. Giving them the opportunity to work in a digital workplace, clearly impacts their interest and willingness to stay longer in the organisation.

Improved Employee Satisfaction – motivation of the employees and their satisfaction is a very important for any organisation to consider, as it directly impacts their overall performance in the market and society. Being able to offer a well-managed digital workplace, leaves space for them to communicate more with their colleagues, target groups, as well as express their ideas and opinions which will motivate them more to work as they feel appreciated and heard. It also increases their level of satisfaction because they can be more flexible when working remotely.

Improved Customer Experience – happy employees are the best promoters of the organisation's work. If a right digital workplace manages to offer its employees flexibility in working hours, meeting their customers, being present for the customers when needed and not only during a specific work schedule it really impacts positively the customers' satisfaction and experience. If a customer hears a positive feedback by an employee of an organisation, he/she will consider a long-term experience there as well.

10.3. Risks of the Digital Workplace

While the list of benefits to a digital workplace is very long, it is important to have into consideration that advancements in technology also creates space for potential risks in the working environment. The cyberattacks are something to predict when it comes to digital transformation of an organisation. Some of the main risks a digital workplace can experience are the following:

- Sharing passwords and devices;
- Connecting to unsecure Wi-Fi networks with work-related devices, opening a door to potential hackers;
- Letting others work from their company issued devices, creating opportunities for data theft;
- Storing passwords on shared work devices, circumventing company security protocols.³⁶

These are quite often mentioned by many customers and organisations. However, they can always be avoided and managed by efficient strategies that organisations can adopt in their work. It is important that the organisation is aware for their existence and potential harm it may cause, and then take the best measures for a proper risk management.

³⁶ Security boulevard, 2018, Is it safe? Realising the benefits for digital workplace? <u>https://securityboulevard.com/2018/09/is-it-safe-realizing-the-benefits-for-digital-workplace-transformations/</u>



10.4. The framework of a Digital Workplace

There are no strict rules in designing a digital workplace for an organisation. An organisation can design and develop a workplace according to its preferences and needs. However, it is always recommended to search and take a look at the existing examples in order to be able to obtain the benefits of a well-managed digital workplace, and at the same time be able to effectively manage risks. An example of a digital workplace framework is presented by Deloitte (n.d.), which consists of four layers that cover the following components:

- Usage of: Collaboration, communication, and connection;
- Technological: The digital toolbox;
- Controlling the: Governance, risk and compliance;
- Business drivers: a measurable business value.³⁷

The figure below shows a detailed framework based on the mentioned components and layers.

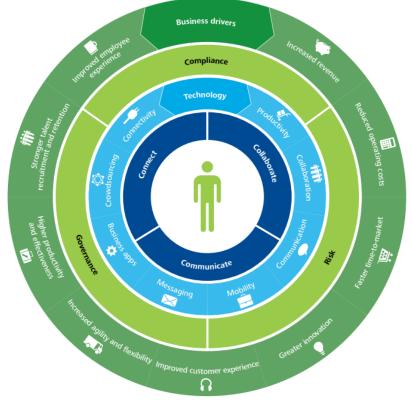


Figure 4: The digital workplace framework, Source: Deloitte - The digital workplace (n.d.)

Using: collaborate, communicate, and connect approach

As indicated in the benefits of digital workplace, if an organisation is effectively managing this workplace, it has to invest and concentrate a lot in the collaboration, communication and connection in order to be able to increase the employees' motivation and increasing efficiency and productivity. This approach enables them to connect better with each other, with the partners and customers, and as well sharing ideas and information in the organisation. In overall, it positively impacts the relationships at work.

³⁷ Deloitte (n.d.), The digital workplace, <u>https://www2.deloitte.com/content/dam/Deloitte/mx/Documents/human-capital/The_digital_workplace.pdf</u>



Technology: the digital toolbox

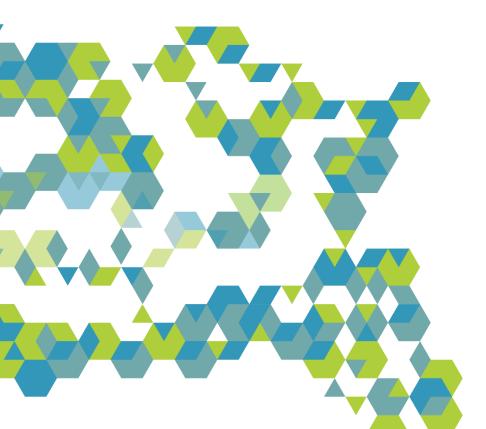
The layer of the technology is the key layer that creates the workplace of the organisation. This toolbox is the place of the all created and purchased tools for the organisation's functionality. It involves the tools used for communication, production, service provision, and other related tools depending on the industry the organisation operates.

Control: governance, risk and compliance

This layer's components are essential in having a balanced organisation's operation in compliance with certain rules and governance, including risk management. It includes the key principles of sharing roles and responsibilities, training and support of the employees, information about the key regulations of the digital workplace in the organisation, policy information and training, as well as risk mitigation strategy models.

Business drivers: measurable business value

In the digital workplace benefits part, it was emphasised that increase revenue and reduced operational costs are a value when having digital workplace effective. The business value of digital workplace includes components of customer experience optimisation, employee satisfaction and motivation, as well as increase of productivity and efficiency within the organisation's work.





11. Some digital tools for adaptation to Digital Revolution

In the previous chapters, the importance and impact of the digital transformation were significantly highlighted. The usage of tools that enable an effective digital workplace was one of the key components of a digital workplace framework. In order to guide the digital transformation of an organisation, below are presented a number of digital tools.

Moreover, the tools are presented under a specific category of use which are essential for an organisation to go digital, such as: Collaborative Suites, Communication Tools, New Generation Intranet Platforms, CRM Tools, CMS Tools, Cloud Storage, Project Management Tools, Recruitment Management Tools, Digital Accounting Tools, and Payroll Management Tools.³⁸

11.1. Collaborative Suites

The collaborative suites are not something to ignore when embracing the digital revolution for working. These suites are like a place for mobility for all employees and members of an organisation which offer different packages of tools for the team to collaborate. Some of the most used and popular ones are the suites offered by Google and Microsoft.

Google Workspace (known as G Suite) - It is a collection of apps and tools used for collaborative working environment. It involves Gmail, Docs, Drive, Calendar, Meet, Slides, Forms for survey creation, and more.

Visit: https://workspace.google.com/intl/en_ie/

Office 365 - This is also a suite of collaborative tools that are offered by the Microsoft under the Microsoft office product line. It includes tools as Word, Excel, Teams, Outlook, One-Drive, and can be accessed online for easier collaboration and coordination between the team.

Visit: https://www.office.com/

11.2. Communication Tools

The communication process and methodology impact the whole work within an organisation. With the right digital tools for communication, it can be ensured that there are channels enabling the communication line between people, and the informing of all the people about the progress of work everyone does.

Slack is a communication platform, which allows a new way of communication with the team. It includes chat rooms, space for project tasks and tracking, as well as monitoring of each team member's tasks and accomplishment, and more.

Visit: https://slack.com/intl/en-al/

Microsoft Teams - is part of the package Office 365. This platform offers video calling between team members, chat rooms, sharing and accessing files, tracking and monitoring of tasks for each team members, appointing tasks, and more.

³⁸ LumApps (2021), Digital transformation tools, <u>https://www.lumapps.com/solutions/digital-transformation/di</u>



Visit: https://www.microsoft.com/en/microsoft-teams/group-chat-software

Skype - is a communication tool offering free audio and video calls, as well as affordable internet calls directly to mobile phones. It also enables group chats and video calls with several people. It enables sharing of photos, files and videos in the conversations.

Visit: https://www.skype.com/en/

Zoom - is now the leading communication platform for the communication between teams. It offers video communication, chat services, as well as services for online distance education and social relations.

Visit: <u>https://zoom.us/</u>

11.3. New Generation Intranet Platforms

The new generation of intranet platforms are very innovative and enable collaboration between employees. According to LumApps (2021), the new modern intranet platforms offer the following services: integrated content management (CMS), intelligent global search engine, natively mobile app, employee social advocacy tool, fully customizable design, multilingual interface, manageable permissions and governance, real-time communication functionality.³⁹ Some of the most used intranet platforms are shared below but there are some more intranet platforms that are highly used.

Intranet platform	Link to find the platform	
LumApps	https://www.lumapps.com/	
Jostle	https://jostle.me/	
OnSemble	https://onsembleintranet.com/	
Наррео	https://www.happeo.com/	
IGLOO	https://www.igloosoftware.com/	
UNILY	https://www.unily.com/	
Simpplr	https://www.simpplr.com/	
Claromentis	https://www.claromentis.com/	
Interact	https://www.interact-intranet.com/	

Table 2: Some of the most used intranet platforms

11.4. Customer Relationship Management (CRM) Tools

An efficient CRM system has a significant role in the organisation's position in the market. Having customers satisfied with the product/service provided, indeed helps the organisation to increase retention. At the same time, it supports the future processes of understanding and addressing the customer needs and reduces the use of time for sales processes. A CRM system can be chosen based on

³⁹ LumApps (2021), Digital transformation tools, <u>https://www.lumapps.com/solutions/digital-transformation/digit</u>

the need and objective the organisation has set. Some of the tools for developing a strategy for the market and effective customer relationship management are presented below.

Salesforce – is a cloud software company that provides services for the customer relationship management system. Besides this, it offers additional services for the customer service, analytics, certain marketing related services, as well as development of applications. The company has also launched a non-profit platform in order to support the schools and NGOs with their impact in the society.

Visit: Salesforce for businesses <u>https://www.salesforce.com/</u> ; Salesforce for non-profit: <u>https://www.salesforce.org/</u>

HubSpot – is a company working in marketing and sales services, customer relationship management system, and related customer services. It also provides support; methodology services and resources that might help organisations succeed.

Visit: https://www.hubspot.com/

Freshdesk – is also a company that is cloud-based customer services provider. It has a variety of features and it is considered as easy-to-use platform. Same as the above-mentioned companies, Freshdesk offers CRM services and supporting tools including live chat, social media, and phone channels support.

Visit: https://freshdesk.com/

11.5. Content Management System (CMS) Tools

The digital revolution is not possible to be part of an organisation without a software that enables content management creation. This is done through CMS software and tools that enable the organisation to create and effectively manage the digital content through websites and/or mobile apps. Besides content management, CMS service companies help organisations to build a creative and attractive website, easier to work and orientate the customers, and so on. Some of the well-known CMS which are also open-source web content management are:

WordPress	https://wordpress.com/
Prestashop	https://www.prestashop.com/en
Drupal	http://www.drupal.com/

Table 3: Some open-source CMS tools

Besides these, there are more tools that can be used for an effective content management system, and offer same/similar services.

11.6. Cloud Storage

Access to information and sharing with all the team members is very important in an organisation, and having a mutual storage for this makes the whole procedure much easier and time-saving. The crisis situations such as the pandemic nowadays, highlights the importance of mutual and cloud storage even more when the most of the work was switched virtually and through the usage of online platforms. With a cloud storage, organisations can create, organise, share, and access files and information with the whole



team. Frontline workers, retail associates, frequent travellers, and many other types of mobile workers rely heavily on cloud storage solutions to access data without being restrained to a physical office.⁴⁰

Some of the tools that offer such services are shown in the table below. However, there are more tools offering similar services – these are just examples of the most common ones.

Google Drive	https://drive.google.com/	
OneDrive	https://onedrive.live.com/	
DropBox	https://www.dropbox.com/	

Table 4: Some of the cloud storage tools

When choosing the right cloud storage for the organisation, it is important to check the GDPR (General Data Protection Regulation) integration within the tool. According to LumApps (2021), the listed tools have proven that they offer high security measures in their cloud storages.

11.7. Project Management Tools

Project management in the digital working environment is a very important aspect. Having a successful management of the project is a result of good work, efficiency, and proper time management for the tasks. The tools for project management are used for the team members to create project's folders, add and track tasks within the project, assign the work tasks between each other's, create and follow notifications about the project timeline and deadlines, and so on.

To boost adoption of project management tools, one can set up email alerts or notifications whenever there is a change in project status, a team member completes a task, or help is requested. Sharing documents within the tool allows us to address complicated workflows and tasks with several people in an instant, without having to go through our mailbox or organise lengthy meetings.⁴¹

Below are presented some of the most popular tools for project management which offer the emphasised services and benefits, and many more supportive services.

Jira	https://jira.atlassian.com/	
Trello	https://trello.com/en	
Monday	https://monday.com/	
Asana	https://asana.com/	

Table 5: Project Management tools – examples

Even though the offered services from some particular tools can be similar or same, it is important to choose the one that better suits the needs and looks easier for the team members to use.

⁴⁰ LumApps (2021), Digital transformation tools, <u>https://www.lumapps.com/solutions/digital-transformation/digit</u>

⁴¹ LumApps (2021), Digital transformation tools, <u>https://www.lumapps.com/solutions/digital-transformation/digit</u>



11.8. Recruitment Management Tools

The recruitment tools for the managing of recruitment process and sharing information between team members and those in charge for recruiting is another important element in the organisation. The recruitment management is the factor that brings the new employees and potential change makers in the organisation, thus impacting a long-term performance in the work.

The recruitment management tools help this process by offering services for sharing resumes of the applicants, sharing feedback from the interviews, as well as communicate and reach the final decision in collaboration with the other team members. The most popular tools for recruitment management are the following:

TalentSoft - is a European leading company in the recruitment and management of employees. Its software offers services in employee recruitment, performance and learning, career, and compensation.

Visit: https://www.talentsoft.com/

SmartRecruiters – is a web-based platform offering hiring services that include the tracking of applications and all relevant recruitment needs. Moreover, it offers supporting programmes such as training and support in recruitment management in order to help organisations achieving their objectives in this field.

Visit: https://www.smartrecruiters.com/

11.9. Digital Accounting Tools

Accounting is a very important aspect in an organisation and it requires a lot of patience and careful and detailed work by those who are responsible on this department. According to LumApps (2021), It's no surprise that accounting is often considered tedious and time-consuming, but it is also one of the most important parts of any organisation for efficiency, security, and accuracy. Investing in our finance and accounting team's digital tools and enablement can help accelerate processes, mitigate risk, and save money.⁴²

There are many useful tools that help organisations to manage their accounting. However, the table below shows some of the most used and ranked by the companies and organisations.

Sage	https://www.sage.com/en-gb/accounting-software/
NetSuite	https://www.netsuite.com/portal/home.shtml
SAP ERP	https://www.sap.com/products/enterprise-management- erp.html

Table 6: Digital accounting tools

It is important that the organisations have a responsible and competent person when dealing with accounting. The tools above can definitely ensure an efficient management of the accounting services,

⁴² LumApps (2021), Digital transformation tools, <u>https://www.lumapps.com/solutions/digital-transformation/digit</u>

but the organisation has to choose the best option that suits them and that the accountant sees as the right and most compatible choice to work.

11.10. Payroll Management Tools

The last category of digital tools for transformation in the digital workplace is the Payroll Management system tools. This category of services has to be very precise in an organisation, and at the same time is quite time-consuming and requires repetitive actions. However, if having the right management system and tools, the work becomes much easier, more organised, less time-consuming, less stressful for the responsible employee/department, as well as more efficient and professional.

The payroll management deals with the employees' development, the working hours, usage of free days according to the contract, payments, other absences, and so on. When having in use a payroll management tool, all these services and tasks are managed by the digital tool and not in a manual work that needs the work and energy of one or more people. The table below lists the three most used payroll management tools that provide these services and more.

Payfit	https://payfit.com/en/
Workday	https://www.workday.com/
Figgo	https://www.figgo-hr.com/

Table 7: Payroll Management tools





12. How to start a social enterprise (lean start-up method and digital strategy)

The old formula for starting an enterprise was mainly consisting of a business plan writing, pitching the idea to potential investors, looking for different funding sources, finding a team to work with, design and launch a product/service, and start focusing on sales as a key principle. Lately, with the world's changes in economics and perceive of the entrepreneurship concept, the formula or methods to start an enterprise has changed too by bringing new approaches that are not highly risky for start-ups. According to Harvard Business Review (n.d.), the "lean start-up, methodology is the new approach for start-ups, and it favours experimentation over the elaborate-planning, customer feedback over intuition, and iterative design over traditional "big design up front" development.⁴³

Another aspect in the entrepreneurship era that was covered in the previous chapters is the digital revolution and the adaption of digital workplace. This is quite important factor for the new start-ups, as it allows them to adopt and adapt to the digitalisation since the beginning phases of their operation, or even start their enterprise by adopting a digital strategy in the first place. Therefore, this chapter will serve as the starting point to deliver the concepts and methodology, as well as the step-by-step approach of the two innovative methods used for starting a social enterprise:

- lean start-up method which will serve as the initial point on idea generation and the start-up methodology
- digital strategy consisting of step-by-step guidelines on digital transformation for any social enterprise that is looking for obtaining the benefits of the digital workplace adoption.

12.1. Lean Start-Up Method

The lean start-up method was introduced in 2011 by Eric Ries in the book "The Lean Startup". In the book, he defined the method as an institution of people organised to make a new product or service in incredibly uncertain circumstances. Furthermore, Investopedia (2019) emphasises that Lean start-up is an example of consumers dictating the type of products they are offered by their respective markets, rather than those markets dictating what products will be offered to them.⁴⁴

The methodology of function in the lean start-up is based in five key principles:

Entrepreneurs are everywhere

The lean start-up can be applied everywhere, as long as we have a start-up. Applying lean start-up does not depend on the size of a start-up, and it does not mean that the office space is a must. It all depends in the willingness of the entrepreneur and his/her skills and competencies, and dedication of time and possessed resources.

Entrepreneurship is management

Similar to the functionality of any other organisation or institution, the start-up needs a proper management by the entrepreneur. However, the management in this methodology is not based on the

⁴³ HBR (n.d.), Why the Lean-up changes everything, <u>https://hbr.org/2013/05/why-the-lean-start-up-changes-everything</u> ⁴⁴ Investopedia (2019), Lean Startup, <u>https://www.investopedia.com/terms/l/lean-</u>

startup.asp#:~:text=A%20lean%20startup%20is%20a,as%20the%20product%20is%20launched.

old traditional entrepreneurial management. It of course contains structured and organised work based on certain rules and guidelines, and policies as well, however, it does not base its management in protocol or stricter policies as developed businesses have.

Validated learning

According to Ries (2011), start-ups exist not to make stuff, make money, or serve customers. They exist to learn how to build a sustainable business. This learning can be validated scientifically, by running experiments that allow us to test each element of our vision.⁴⁵

Innovation accounting

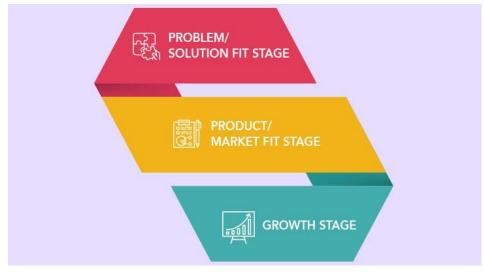
The innovation accounting is another principle under this methodology. This focuses on the setting and tracking the milestones, progress tracking, and based on these to set priorities in the work. Basically, this principle is the one that drives the entrepreneur into being accountable and focus on the priorities that come along the operation of the social enterprise.

Build-Measure-Learn

The fundamental activity of a start-up is to turn ideas into products, measure how customers respond, and then learn whether to pivot or persevere. All successful start-up processes should be geared to accelerate that feedback loop.⁴⁶

12.1.1. The stages of Lean Start-up methodology

As it could be noticed by the principles of this methodology, the main idea behind lean start-up is to use accurate findings, explore, and avoid potential hindrances that may affect negatively the start-up processes. In general, this method suggests that even though every start-up differs from another, there are three main stages that each of them will have to go through. These stages are presented below in the figure, while being elaborated after.



Picture 1: The three stages of Lean start-up method, Source: Peerbits (n.d.) https://www.peerbits.com/blog/everything-you-need-know-about-lean-startup-methodology.html

⁴⁵ The Lean Start up (2011), Principles, <u>http://theleanstartup.com/principles</u>

⁴⁶ The Lean Startup (2011), Principles, <u>http://theleanstartup.com/principles</u>



Problem/solution fit stage

The first stage consists of several testing and analysis of the problem and potential solution offers. It is the part when the entrepreneur combines the information, analyses them, and have to undertake a decision whether the problem is worth to be addressed or not, and if the potential solutions are applicable in that particular market/society or not. If yes, then the process continues further by always adopting the Build-Measure-Learn principle and the other four principles of the lean start-up methodology.

Product/market fit stage

The product/market fit stage starts with the testing of the market and customer by testing several methods of sales and monitoring them. By testing different methods, monitoring and reflecting on their use, the entrepreneur brings space for a decision upon a chosen method that would be effective and efficient in customer gain and progress of the enterprise.

Growth stage

The third stage consists of the marketing and sales processes and strategies that are used for the business growth. This results on the enterprise's progress in customer relationship management, financial stability, feedback receive and reflection, as well as the impact on using the right/wrong marketing strategy for sales and customers in long-term basis.

12.2. Digital Strategy

According to Entrepreneur (2017), often, the concept of digital strategy is not paid enough attention to when building and launching a start-up. It is important to understand that digital strategy, unlike digital marketing, is the foundation businesses must create in order to digitalise their brand, services, or product.⁴⁷ The digital strategy defines the enterprise's operation in the digital transformation including the objectives from that perspective. In the previous chapter, it was included the whole process and categories of tools and systems that are needed for digitalisation of an enterprise, as well as help the enterprise to transform into a digital workplace.

The concept of digital strategy is based in four key elements which are:

Choosing a Leader — choosing the right person to develop and be responsible towards the digital strategy is one the key aspects. Even though, some enterprises usually go with choosing the CEO as the leader of the digital strategy, there are some of them who choose wisely by having into account the skills and competencies of the potential leader in the field of digital strategy.

Attack vs. Defend — this element of the digital strategy is focused on the identification of threats and opportunities in the digital world, and its position. With the identification being conducted properly, they compare and test the enterprise's strong position with those threats and opportunities. It is an attack vs defend approach in order to remain sustainable and in a good position in the digital business.

Take a Measured Approach — this element is related with the adopting and adaptation of the enterprise in the digital world. It shows that the enterprise should be aware and reflect in the current digital position in order to be able to successfully adopt initiatives that are compatible with the digitalisation level adopted. Sometimes, when seeing potential in the market and/or society for a project, enterprise can be quite tempting into starting it, but their digital strategy does not contemplate with that kind of project. If

⁴⁷ Entrepreneur (2017), Digital Strategy, <u>https://www.entrepreneur.com/article/299726</u>

such cases happen, the enterprise can experience certain damage in its professional reputation and not be able to develop and conclude the project successfully.

Future Proof — the future proof element brings a visionary approach to the enterprise's position in the digital transformation. This element is based on the constant changes and adaptation to the new technology and meeting customer needs in its digital workplace. Therefore, it is important for the enterprise to have a visionary digital strategy in order to easily adapt and remain in a competitive position.

12.2.1. 10 Steps to Building an Effective Digital Strategy

When starting to build an effective digital strategy for a start-up, the process should initially embrace the key common elements of the digital strategy explained above. Then, start the process of digital strategy development step-by-step. An effective method introduced by Rum (2016) is by following ten steps which include the initial need assessment part until the planning and measure approaches for building the strategy effectively. The 10 Steps approach is elaborated below.

1. Defining the "Why?"

This is the first step that accents the importance of self-reflection about the reason "Why?" the start-up exists. It is based on the Simon Sinek introduced methodology on "Start with why" which highlights the fact that the importance of a start-up and business existence is not in the product/service offered in the market, but rather in the authenticity of the start-up, the social engagement, and the solution it offers in the society. Social enterprises function by addressing social needs and using their profits for a better change in the society, thus this unique aspect has to be the highlighted when starting this process.

2. Creating Own Brand Story

Having a brand promise is a very important step towards digital strategy. When wanting to be successful in digital business, the start-up should focus in a brand story that attracts people and matters for them, as well as something that differs the enterprise from the others – Value proposition.

3. Defining the Goals

The next step is to define goals that the start-up aims to achieve through the digital strategy. A very important aspect here is to use the SMART way of defining goals - specific, measurable, attainable, relevant, and time-bound.

4. Developing Audience Personas

If we want to tell a story which our audience will understand, first we need to know who our audience is and be able to understand them. We should aim to create 3-4 personas based on the types of people we attract and want to target. A complete persona will contain the person's background, career, values, goals, reservations, and decision-making tendencies.⁴⁸

5. Creating a Journey Map

When the target groups are identified and developed, the next step is to create a journey map that analyses the behaviour and habits of the audience and uses them to find channels that reach the audience. It is important to develop a detailed journey map in order to have a more personalised way of approaching the target and being able to develop the strategy in a way that meets the target's needs and expectations.

6. Identifying Key Channels

⁴⁸ Rum (2016), 10 steps to building an effective digital strategy, <u>https://www.socialmediatoday.com/marketing/10-steps-</u> <u>building-effective-digital-strategy</u>

The next step after the journey map creation is identifying and developing channels for the target audience. The impact of the social media nowadays is very significant in the digital world. However, each enterprise should use the platforms and tools that are used by the target group in order to not waste efforts and not invest in the non-reachable platforms.

7. Developing a Content Strategy

After having identified the channels and target audience, the enterprise can continue further with developing content strategy based on the information gathered in the previous steps. The content is developed based on the preferences of the target, in order to attract them further and provide a customised service for them.

8. Drafting a Content Calendar

The content calendar is very important in the digital strategy. Drafting of a content calendar should include useful information and processes starting from the creation of the product/service, deadlines, to the big events in that particular industry. Tools for project management that provide tracking options for each piece of content can be useful in this step.

9. Planning Our Resources

An effective digital strategy is very dependable in the efficient planning of the resources, including human resources too. It is important that at this step, the entrepreneur or the chosen leader of the digital strategy has a clear statement of the finances, the timeline for the strategy, and the inclusion of people. Then, the process of resource planning should be fair and effectively planned in order to ensure the satisfaction of each member and achieve the goals set in the digital strategy.

10. Simply Measuring

The last step of the digital strategy development is focusing on measuring the results and numbers of each previous step introduced. It brings the approach that measuring should be part of each step upon completion, in order to be able to continue with the next step and develop the strategy successfully. Furthermore, it shows the important of the connection between each step and the impact each step completion has on the other.





13. Fundraising for social entrepreneurship start-up

Fundraising is considered one of the most difficult processes in practice. Even though it is not easy to develop a fundraising strategy for a social enterprise start-up, the process of implementing it is even harder. For the social enterprises, the process is a bit more complicated as they are not using their profit for self-benefits but for the social causes and that leads to a more proactive approach towards fundraising and the ability to manage the balance in covering operational costs and contributing to the society needs. Thus, the methodology of a social enterprise is different comparing to other enterprises when it comes to fundraising. While there are difficulties in trying to explain the potential investors the general idea behind the social enterprise's operation and social impact due to the traditional way of conducting business, there is still a light coming from the investors who started to get to know more about the concept of the social entrepreneurship. Hence, the knowledge and awareness about social enterprises start-ups is expanding and nowadays investors are expressing their interest and willingness to contribute to fundraising of these start-ups as a way for them to stay connected with the society and contribute to the positive social impacts.

The Why, The How, and The Where

Besides the challenges and opportunities that social entrepreneurship start-ups can deal with, fundraising process is very important to be planned, developed, and have a proactive methodology in order to be able to function successfully. in order to do so, there are three fundamentals of the fundraising for the social enterprise which were introduced by the School for Social Entrepreneurs Australia (n.d.)⁴⁹:

The Why – It is important to first understand the reason "Why?" the need to fundraise exists. This question can bring up the mission and vision the enterprise has and the social needs it addresses, as well as the benefits the target groups and society can get through the funds-raised.

The How – this element focuses on the internal aspect of the enterprise, by having a closer look on using the experience, qualifications, knowledge, combining them and finding ways for fundraising process.

The Where – when "Why" and "How" are defined, the next fundamental is about "Where" to find potential supporters and partners that will believe in the idea and contribute to the social enterprises causes addressed.

When these three fundamentals are identified and known by the whole team, the start-up can continue further with detailed fundraising strategy and action plan.

13.1 Fundraising as the initial step towards establishing a start-up

When the decision to establish a start-up takes place, the social entrepreneur's focus is all about turning the idea into an opportunity. Besides the internal tasks and processes, the fundraising is one of the initial steps for the start-up establishment. In order to start this process, the three mentioned fundamentals are to be very considered. However, the fundraising process for social enterprises start-ups does not only depend on the general existing methods and forms for generating funds, but it is important to have some

⁴⁹ School for Social Entrepreneurs Australia (n.d.) - A guide to Fundraising,

https://static1.squarespace.com/static/572be68b4c2f85218304c6a6/t/595227deebbd1ae9dcd81365/1498556407064/SSE_A-Guide To-Fundraising.pdf

additional specific points in mind. Having in mind the concept of social enterprises, the starting point to fundraising for establishment is by considering the following:

Fundraising in social enterprises is about relationships – while fundraising is concepted as a process to generate incomes for a particular project or initiative, in social enterprise start-ups this should be considered as an opportunity to create long-term relationships. If certain institutions or individuals embrace the cause of the start-up now, they should be kept for later stages too.

One story three stats – it is important that when introducing the start-up idea to a potential supporter, to create an inspiring story which makes them share a similar enthusiasm and belief. However, every story has to be accompanied with the three statistics that strengthen the reason for the establishment of the enterprise. For social enterprises, it should be specified how its existence contributes to the wellbeing of the community, whose needs it addresses, or causes supports.

The 8:4:1 rule – establishing a social enterprise start-up is not an easy process. While general preparations for idea presenting are inevitable, the social entrepreneur should also have in mind that the efforts will not always be successful. This is not a matter of lack of presentations skills, or idea conceptualisation, but rather meeting the right people who share a similar vision with the social entrepreneur / the initiator of the idea. Thus, these are the cases when the 8:4:1 rule applies. This rule shows that in practice, meeting 8 potential supporters, will make the entrepreneur having 4 of them that show interest in the start-up establishment support, and ending up with 1 supporter of the cause.

The importance of value proposition (uniqueness) – as the establishment of social enterprises is increasing every day, the importance of having a unique value proposition is essential in the start-up fundraising process. It is important for the social entrepreneur to highlight what makes his/her idea unique and different from the others, and from the already existing social enterprises.

13.2 Fundraising strategy – an ongoing process for social enterprises start-ups

The fundraising strategy for social entrepreneurship can be very tricky process, but needs to be a detailed one that will further support the action plan in implementation. According to The Commons (n.d.), there are eight key steps towards designing a fundraising strategy:

Step 1: Designating a Fundraising coordinator

In order to start the whole strategical process in fundraising, it is essential to appoint one person as the coordinator of the whole strategic development in fundraising. Even if several members are involved in the process, the control should be done by one assigned person.

Step 2: Setting our parameters

This step includes a brainstorming of ideas with all team members and those who will be directly involved in the fundraising strategy. It is important to identify the parameters for the fundraising strategy, and that can be achieved through addressing the following points:

- Outlining our goals. What do we hope to achieve?
- Researching past fundraising activities what has worked? And just as importantly, what hasn't?

 Working out who our friends and potential friends are, and who is willing to support our organisation – businesses, government departments, individuals, families, philanthropic trusts and foundations.⁵⁰

Step 3: Identifying our fundraising methods

There are many methods that can be used for fundraising social entrepreneurship start-ups. At this step, it is important to check and identify which methods the enterprise wishes to include in the fundraising strategy and planning. The most well-known fundraising forms and methods are presented below, including their specific characteristics when it comes to funding.

- **Grants** have a certain goal that aim to achieve through a specific call for grants, and are looking for particular institutions to contribute to those goals with their designed activities and projects.
- **Donations** are designed in a way to also support certain ideas and projects, but not specifically an organisation, even though not in all cases.
- **Crowdfunding** include the support from people who want to be advised in how to approach to their network to support the social enterprise.
- Membership/Alumni this is a fundraising method that needs to be based on the 'give and take' approach. People who become and pay for a certain membership, want something in return even if it is information, knowledge, opportunities for career development, and so on.
- **Events** this is a form of fundraising where people give money because of the event, not specifically for the support of the social enterprises' cause.
- Sales/Earned Income social enterprises can offer a certain product or service that they can launch in selling and thus earn income that supports their finances.
- **Community-Business Partnerships (Sponsorships)** this is another fundraising method where businesses support certain causes or projects in order to be seen in the contribution of the social aspect, and improve their reputation in the society and market.

Step 4: Getting our systems in order

A social enterprise should be able to have a functional system in giving and receiving funds, keep tracking of all incomes and outcomes, as well as documentation, administration, and transparency towards the usage of public funds. These things should be settled at this stage in order to avoid complications later on.

Step 5: Getting under way

This step includes an encouragement for the start of a small action that does not consume much energy and efforts, but still considered as a testing phase in order to see the responsiveness and check the next possibilities.

Step 6: Monitoring

The fundraising strategy should be frequently monitored, changed, and improved as it cannot be valid for several years due to the changes in the market, society, fundraising methods changes, and so on. Therefore, it is important once in a while to check, and track the progress, and see the potential for change and improvement.

Step 7: Saying thanks

⁵⁰ The Commons (n.d.), Fundraising strategy and planning, <u>https://commonslibrary.org/fundraising-strategy-and-planning/?gclid=Cj0KCQiAyJOBBhDCARIsAJG2h5e9FOlekbhmnr3rEMU5RZJJKOB2WXz17Po1wODNYdqTmR0r074uQbQaArNZEAL w wcB</u>

The appreciation and maintaining good relationships with those who support our enterprise and projects is essential in social enterprises, specifically in the fundraising circle. Thus, the appreciation messages or other way of thanking the supporters should be clearly and detailed emphasised in the fundraising strategy.

Step 8: Review

It is important that at every end-year, the fundraising coordinator and the leader gather the whole team to reflect and review the fundraising results, check for potential improvement, and reflect on the things that could go wrong. Then, the review should be followed with a celebration of all team members, and inviting all the donors and supporters of the start-up.

13.2.1. What is next? The Fundraising action plan - seven steps to succeed

When the fundraising strategy is completed, a social enterprise needs to develop an action plan that will enable the realisation of the strategy. According to The Commons (n.d.), the fundraising action plan consists of seven steps that contribute to the fundraising success and need to have a full attention when implementing the plan:

1. Setting the Target

The first step is about setting the target of how much money the enterprise aims to reach through this plan. It is important to be realistic and know the capacities of the team and the enterprise as well.

2. Making the Plan

Now the identification of the actions to be taken comes. Here, the plan includes the number of visits, the method of certain campaigns, the type of fundraising chosen, and so on. The coordinator and team should have a full attention to this step, as it affects the completion of the next steps and processes.

3. Identifying the players

When the methods and action plan is developed, the coordinator should identify the key members who will undertake the fundraising tasks. These roles should be defined in accordance to the skills and competences each team members possesses.

4. Clocking the timing

In this step, the action plan has to be set in the timeline for the accomplishment of tasks. It is important that each task has a deadline and is timewise planned. It is also important that the team is realistic about the time needed to accomplish a task in order to avoid potential errors and affect the work of other team members.

5. Setting deadlines and checking for progress

This step correlates with the previous one. After setting the timeline for the task's accomplishment, it is important to draw the key dates and deadlines. The ones who are approaching, should be marked in red. The coordinator is good to have in mind that no timetable will be strictly implemented, and allow a flexibility of few days delay but not put it as part of the deadlines and planning. Also, frequently the coordinator and the team should check the progress related to the deadlines and the timeline.

6. Weighing our resources

Every planned action should be in accordance to the available resources that the enterprise possesses. It is important that time to time, the team checks if there is a need for additional resources such as more

people to be engaged, more financial resources for completing the tasks, or external expertise. Also, it is important to identify and plan the resources timewise, in order to not affect negatively the whole plan.

7. Adding it all up

It is important to make sure that the coordinator has included not only step-by step monitoring of progress but also allowance for a thorough after-the-fact evaluation. Did we reach our targets in time, cost, and outcomes? What lessons have been learned? Qualitative goals are important, too. How will we decide if the job was well done? It is important to set the guidelines or criteria before one starts, and to be sufficiently flexible to notice what else happened that needs to be counted in the pluses or the minuses of the campaign.⁵¹

When all steps are completed and the fundraising process takes place, the team members should gather and evaluate the whole process and seek for elements to improve the next year's fundraising plan.



⁵¹ The Commons (n.d.), Fundraising strategy and planning, <u>https://commonslibrary.org/fundraising-strategy-and-planning/?gclid=Cj0KCQiAyJOBBhDCARIsAJG2h5e9FOlekbhmnr3rEMU5RZJJKOB2WXz17Po1wODNYdqTmR0r074uQbQaArNZEAL</u>





14. Competencies for starting social entrepreneurship: competencies of the future

Identifying one's qualities and obtaining necessary skills to managing the change and sustaining a "green" enterprise are the key elements that help an individual in starting a social enterprise. Nowadays, when the world trends are changing rapidly, it is important to go at the same pace and foresee the future trends while being able at the same time to slow down, be mindful in order to be focused and efficient - one needs to slow down in order to go faster. These skills sound to be controversial but they are the most desired to be successful, especially in the field of social entrepreneurship.

14.1. Competencies of the future

While some of these skills are not new in their nature, it is only now that they have been acknowledged as valuable skills for every business start-up. They are especially important for social entrepreneurs who, fortunately or unfortunately, have to go the extra mile to achieve their goals.

A modern social business leader should demonstrate the following qualities and skills: emotional intelligence, empathy, creativity, sense of opportunities, be a critical and creative thinker. There are also more business-oriented qualities and skills, like data analysis or virtual collaboration.

14.1.1. Emotional intelligence

Emotional intelligence is the capability of individuals to recognise their own emotions and those of others, discern between different feelings and label them appropriately, use emotional information to guide thinking and behaviour, and manage and adjust emotions to adapt to environments or achieve goals. Goleman's model outlines five main Emotional Intelligence competencies⁵²: the first two refer to one's ability to be aware of and manage one's emotions and behaviour, the other three - to the ability to understand other people's moods and behaviours in order to build relationships and effectively interact with others.

- Self-awareness the ability to know own emotions and recognise their impact on others.
- Self-management the ability to leverage own self-awareness to positively channel one's behaviour and to adapt to changing circumstances.
- Social awareness the ability to decode the emotions of other people and make conclusions about what is going on.
- Empathy having into account other people's feelings especially in decision making times.
- Motivation being aware of what motivates others.

⁵² Daniel Goleman, "What Makes A Leader", Best of Harvard Business Review 1998, p.3



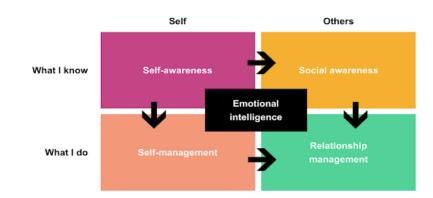


Figure 5: Emotional Intelligence (n.d.) <u>http://ez99z1lwkl3blz5d16mk1h1e8n.wpengine.netdna-cdn.com/wp-</u> content/uploads/sites/7/2020/07/What-is-emotional-intelligence.png

How is it useful?

In the past, an effective leader was expected to give clear orders and control the overall performance of the organisation. Leaders of today, especially in socially oriented business due to its clearly distinguished moral purpose and high ethical standards, are now expected to not only be experienced and effective managers, but to motivate their teams and create a sense of belongingness that will make employees feel comfortable, thus, making them work more effectively. Understanding of shades of human emotions in professional communication has obvious practical outcomes, such as better teamwork and a happier work environment.

What are the benefits for a social entrepreneur of developing competencies of Emotional Intelligence?

Since emotionally intelligent people have a better understanding of themselves, they tend to make more conscious decisions based on emotion and rationale combined. Higher Emotional Intelligence correlates with more successful interpersonal relationships, including during work performance, with less interpersonal aggression and problems and more negotiation ability. People with high social awareness communicate more effectively and are good at identifying and resolving conflicts. They are able to inspire others and lead by example. They are in general perceived more positively by others, which is important for social entrepreneurs, who more often encounter administrative, psychological, cultural and other barriers. What is even more important for social entrepreneurship start-up is the fact that people with high social awareness are more likely to be able to strategize different needed aspects of a social enterprise, achieve better connections with the local community, different stakeholders and people there. This all increases chances for success of the respective social enterprise.

14.1.2. Critical vs Creative Thinking

These two qualities are often considered to be mutually exclusive: one cannot possess both or even need both to run a successful business. Creativity is often associated with arts, crafts and connected professions, such as fashion designers or artists. On the other hand, critical thinking belongs more to: banking, politics, trading, etc. However, in the New Era of the economy both are essential for every business small or big, long-term social initiatives, educational projects. Creative thinking refers to the ability to generate new ideas, find sophisticated solutions and non-trivial approaches. While critical thinking helps review and evaluate those ideas, put them into perspective, diagnose potential problems.

Critical thinking

Critical thinking refers to the ability to look at the facts, evidence or ideas, compare them to what one already knows and make conclusions about their quality.

As a social entrepreneur, one needs to think critically about the resources they use, question the information they encounter but keep the ability to learn with an open mind. One needs to ask constructive questions when assessing the work of others. Own decisions should make clear that one weighs up all different arguments and perspectives and that they use evidence instead of assumptions to form own opinions, arguments, theories and ideas. In order to achieve this level of perspective the following processes are applied: evaluation, reasoning, interpretation, analysing and synthesizing, and finally concluding. The information for these activities can be gathered from, or generated by, observation, experience, reflection, reasoning or communication.

Combine Higher-order thinking skills Evaluation What's next? Evaluation What's next? What's next? Critical Uwat's next? Critical Uwat's next? Critical Uwat's next? Create Better Better What's next? What's next? Create Uwat's next?

The figure below shows the Critical Thinking concept according to its components.

Figure 6: Critical Thinking components, Source: <u>https://www.academic-englishuk.com/wp-</u> <u>content/uploads/2020/03/Critical-Thinking-Skills-AEUK-980x616.png</u>

Critical thinking becomes a key skill in a time where deliberately false information is day and night supplied into public communication where it gets quickly spread through social media shares and likes. Developing foresight is one of the critical talents for a social entrepreneur to be able to respond timely and effectively to future challenges. Discernment, developed through critical thinking, allows recognising unstated assumptions and values, which is an essential skill for social entrepreneurs, who often operate in delicate context. Often, combined with comprehensive, clear and accurate usage of language, it helps to prevent misunderstanding and conflicts, especially in a multicultural environment, which social entrepreneurs tend to turn into a functioning intercultural environment.



Creative thinking

Creative thinking as a dual companion to critical thinking is an invaluable skill for social entrepreneurs from the moment, they start up their business and forever. It was highlighted as one of the top three skills by the World Economic Forum⁵³ needed in the 21st century.

Here we present the four components of creativity that are assessed in the fundamental psychological testing instrument - the Torrance Test of Creative Thinking (TTCT), developed by American psychologist Dr. Ellis Paul Torrance.

- Fluency the ability to generate quantities of ideas spontaneously or upon request.
- Flexibility the ability to create different categories of ideas, and to perceive an idea from different points of view.
- Originality the ability to generate new, different, and unique ideas that others are not likely to generate.
- Elaboration the ability to expand on an idea by embellishing it with details or the ability to create an intricate plan.⁵⁴

Social enterprises today operate in a highly competitive, global environment. Even when they stay on the local markets and address local social issues, people who they target with their activities, products or services are themselves a part of the new global economy, they often come from different world cultures, they have access to the latest information, even if they are not always able to consume some latest developments. These factors make creativity crucial. Creativity is what fuels big ideas, challenges (social) entrepreneurs' way of thinking, and opens the door to new business opportunities.

14.1.3. Design Thinking

In business, design thinking refers to a multidimensional, recurring process that is used to create a better understanding of the target audience of products or services, to redefine hypotheses about users' behaviour, to rethink problems and to find innovative solutions that suit for prototyping and testing. This process is most effective to resolve problems that are ill-defined or unknown.

Design thinking involves five stages: empathise, define, ideate, prototype and test.⁵⁵

This human-focused approach to innovation has recently transformed the way organisations develop their products, services and processes, and the way organisations develop themselves.

Design thinking is a process for creative problem-solving. In socially oriented business clients are considered to be partners and co-creators who contribute to the building of a better future together with a social entrepreneur. So, human-centred design thinking methods are a perfect match for social entrepreneurs willing to benefit from the integration of innovative concepts in their business. Previously, designers were mostly involved only in the later stage of a new product development, with a task to improve aesthetics and functionality of products. As it is perceived now, design thinking has been used to

⁵³Century skills for future jobs students (2016), <u>https://www.weforum.org/agenda/2016/03/21st-century-skills-future-jobs-students/</u>

⁵⁴ How to evaluate creative thinking (n.d.), <u>https://www.coursehero.com/file/p555njv/How-to-Evaluate-Creative-Thinking-Dr-E-Paul-Torrance-identified-four-components/</u>

⁵⁵ Customer Think (2020) 5 steps of Design Thinking for marketing, <u>https://customerthink.com/5-steps-of-design-thinking-for-marketing/</u>

help many different types of business and social organisations to be more constructive and innovative by embedding design as a useful and important asset for the organisational policies and practices.

Design Thinking is extremely useful in addressing problems that are ill-defined or unknown. By redefining the problem with a human being in focus, the social entrepreneur may channel ideas generation during brainstorming sessions and adopt a hands-on approach in prototyping and testing phases. With design thinking, entrepreneurs, teams and organisations have the freedom to generate innovative solutions. Using this approach, one can get behind hard-to-access insights and apply a collection of hands-on methods to help find unorthodox answers.

14.1.4. Strategic thinking

Competences of strategic thinking and planning are one of the key factors for a successful start-up of a social enterprise for a sustainable development. It is important to mention that without a smart long-term strategy that allows to plan product or solution development, work out financial security, and foresee possible set-backs, without the ability to consider every action's consequences, no "creative" skills will help a social enterprise to stay afloat. However, the converse is also true: without a leader or a team with the above-mentioned skills, there will be no idea, product or service to strategically develop it.

Having a strategic mind-set means knowing how to think, and not only what to think. Even though one's answers will not always be right, strategic thinking gives them the advantage to see new opportunities coming, address emerging challenges, and plan for future success. Strategic thinking, even though a desirable competence of a leader of the social enterprise, is also important to be practiced and encouraged within the team of key people within and around the social enterprise in question. This may create even more value by enabling a proactive and creative dialogue, where it is possible to gain other people's perspectives on critical and complex issues, like:

- **Changing environment.** Every business is affected by negative or positive change. Strategic thinking and planning enable us to foresee and prepare for these changes, to have ready plans to deal with them.
- Limited resources. Social enterprises often, if not always, have to deal with limited resources of money, people and time. Strategic thinking, with quality strategic planning put in place, enables a social entrepreneur to decide how to use these resources most effectively and advance the company toward its objectives.
- **Need to grow**. Social businesses may not experience the same constant pressure to expand, like for-profit organisations, but they also have an obligation to perform and show growing results. Growth may mean higher profitability or greater social impact. Strategic thinking helps to recognise the needs to grow and the opportunities how.
- Improved decision making. Strategic thinking and strategic planning enable social entrepreneurs to make more logical, confident decisions, as they learn in course of time how to recognise subtle changes in the business environment, how to see their customers' perspective, and how to formulate strategies in order to do a better job of reaching new potential customers or partners and all in accordance with the set strategic plan and strategic direction of the organisation.

15. Innovation and change management in social enterprise for sustainable development and peacebuilding

According to recent studies⁵⁶ of failed Social enterprises, among internal reasons (except for financial or purely business reasons) the following were named as critical: inability to balance "Just Do It" and "Think Through It", inability to think innovatively, mistakes and issues identified too late, inability to hire the right people in the right roles, as well as balance profit and social impact.

When is the best moment to change? Some of the questions that may help to start ideating are:

- What do we see around us?
- How has the environment changed?
- What new resources/technology have been added?
- What do people do differently?
- What new actions do people undertake?
- What stories/anecdotes do people tell?
- What do the consumers say?
- What are new values/mind-sets arising?
- What is the metaphor that describes the change?

It should be noted that, while in personal development we see the need for every season and appreciate them, businesses strive for success all the time. Many companies fail to innovate because they were resting on their laurels and missed the momentum when the market went in a different direction. Being successful often is one of the reasons to postpone innovation: they lack the urge to change.

As a social entrepreneur, it is important to be aware of the importance of always being challenged with a need to choose priorities, with limited resources, not only money but time and human resources as well. Innovation needs time to contemplate; it is not a quick fix. Instead of thinking and moving instinctively and fast, one needs to learn to slow down and to become reflective and mindful. Such a path requires a new methodology of change management that is more sensitive to the inner world of the change maker.

The Theory U meets those requirements. However, it is not about letting one's instincts lead them blindly and unconsciously. It is about deep understanding of what is behind those instincts and using the power of the own subconscious knowledge.

Before moving to the change management theory, let's have a look at the change factors that are to help to identify the moment for change within an organisation. In order to initiate changes successfully, four key preconditions must be met. When one of the factors is missing, the innovation will not go through.

- The need/urge to change. When people do not feel an external or internal need for change, for example, a company is in its "cash-cow" phase (or "summertime" in waves terminology) the change is considered to be no priority.
- A Clear and shared vision. Although people in the organisation might be really passionate about innovation, the lack of common understanding and ambition will lead to the lack of synergy when it comes to an action plan the change gets scattered and fails.

⁵⁶ SEE Change Magazine- Failure in Social Enterprises (2013), <u>https://staging.community-wealth.org/sites/clone.community-wealth.org/files/downloads/paper-rykaszewski-et-al.pdf</u>

- The capacity to change. If a company is too busy with the current operations and fails to mobilise the appropriate resources (human, financial or other), the team gets frustrated, or the change funding sources dry up soon the change process stops.
- First actionable steps. When one has a great shared vision but misses at least a preliminary action plan the change stays on paper and doesn't move forward.

15.1. The Theory U

As already mentioned, the inability to balance "just do it" and "think through it" is one of the reasons for a failure of social enterprises. Entrepreneurs often tend to spend time discussing operational problems and small improvements, while they deserve delegation and "just do it" attitude. If one only goes from a meeting to a meeting and a call to a call, in this routine they will miss the moment for change. On the other side, if they rush into new business ideas which might have potential, because they are too afraid of losing the momentum, there is a threat of "jumping to conclusions", which is a major threat when a real innovation is required. The momentum is the best when created from within rather than caught. Then the most meaningful solutions can be created.

"The theory U" is an innovative way to look at change management within an organisation or a project. A deeper, more creative and sensible approach for individuals and teams to realising their opportunities, evaluating perspectives, understanding their community and customers' needs. It provides a profound insight into change. Breakthrough or transformation require a way "inward" to utilise the needed energy and creativity. The theory U was introduced to the business world by Otto Scharmer in his book" Theory U: Leading from the Future as It Emerges"⁵⁷. The method incorporates elements of such modern leadership competencies, like Emotional Intelligence, Creative and Design thinking. As the theory proposes, modern leaders should not aim taking the shortest path to the targets but make a U-journey inside themselves in order to develop a unique and highly demanded idea, service or product and be able to lead the team. Upon reaching the point of connection to the inner knowledge, innovation can be born.

The motto of the Theory U could be "Slow down and you will get faster". Having a brilliant idea is not enough. The inability to break through the learned unproductive management patterns prevents entrepreneurs from empathising with their clients' perspectives and chains them to the ineffective templates of decision making. The key to the right balance between "just do it" and "think through it" is in identifying which parts of the creation process are subject to deeper reflection and when is the time to move quickly.

The Theory U suggests that in order to find a solution for an external problem, one first needs to go inside. This new approach to innovation requires an individual or a core team to progress towards the goal through the sequential opening of mind, heart and will. Because actualising the core knowledge and intuition takes not only the brain but also the heart and the gut that one needs to mobilise for finding the best solution.

In the Theory U, we talk about the way from CO-initiating to CO-evolving which implies togetherness at all stages of the change process. As an individual entrepreneur or as a head of a social enterprise, it is essential that one can gather around them a so-called Core Team, involved in decision making and strategic developments. This team's line-up may vary depending on the solution they are looking for. It is important that people in the core team are connected not only around their heads but also connected through the energy of the hearts. Then they will be always able to give a mirror to each other's feelings

⁵⁷ Otto Scharmer, Theory U: Leading from the Future as It Emerges, Berrett-Koehler Publishers; 1st edition (January 1, 2009)

or a perspective to each other's ideas. Note, this does not mean that the core team is equal to the management team or that other people in the company are not involved in the creative process. So, alone or together with a core team a social entrepreneur is all set for the U-journey that will help their company through the change.

The Theory U journey consists of 5 stages: co-initiation, co-sensing, presencing, co-creating and coevolving. The figure below shows the framework of the theory and then elaboration about each phase.

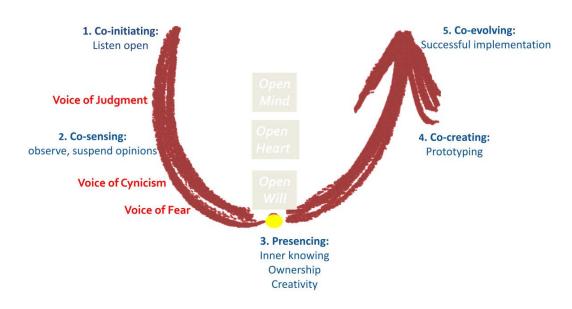


Figure 9: The Theory U and its phases, Source: Stichting MasterPeace

The way to proceed from one stage to another is to move down the left side of the U, sequentially suspending the voice of judgment, as it restricts the opening of the mind, then the voice of cynicism that restricts the opening of the heart and the voice of fear that restricts the opening of will. Moving up the right side of the U is about the intentional reintegration of the head (mind), the heart, and the hand (will) in the context of practical application. On this journey, at the bottom of the U there is a point of connection to the deeper source of knowledge. Reaching there requires dropping everything that isn't essential. This means letting-go of the old ego and letting-come of the highest future possibility of Self.

Co-initiating is the first step into depth of knowledge. Starts by building a common intention: stating a problem or a dilemma, asking a question or setting out an idea. Then it is needed to involve different stakeholders and listen openly. Here one needs to connect their mind and open it through listening to others, those likeminded, as well as those with opposite opinions - all together bring a lot more insight. It is important to remember that listening requires a free space where everybody can contribute to the whole. Here we listen to different voices including the voice of judgment. We let the doubt be expressed and leave it behind moving to the next stage.

Co-sensing is about connecting our heart, observing, postponing opinions and seeing with all our senses sharp. Everyone needs own perception of things. Without a direct link to the context of a situation (where the solution is needed or where they will apply innovation), one cannot learn to see effectively. This kind of deep seeing is called "sensing". At this stage, we have to pass by the voice of cynicism - mistrust from others or our own. We have to hear the voice of fear too: "What if I fail?". It is normal to be afraid of big changes. When one is not daring to hear the voices of criticism and fear, they are not at their most creative

point. The key is to recognise, to name and to embrace what one feels. This is when we reach the biggest potential of change. It is recommended to share what one feels to let it out and then letting it go.

Presencing is about connecting our will. At this point we need to stop voices and information from outside, find a place of silence and allow the inner knowledge to emerge, to become one with the situation. The essence of this stage is the experience of the coming in of the new and the transformation of the old. Trusting what presents itself and the possibilities that (will) exist. There is no decision making here. Opening oneself completely to the answers. At this point, an idea, a raw idea, a draft of an idea is born.

Co-creating is about creating what wasn't known before - a prototype that turns an idea or a concept into experimental action. The purpose is to create a micro-universe for those drafts of ideas that have crystallized from connection to the source at the Presencing stage. Prototyping allows us to explore and experience the future by doing; and learning from mistakes of trying those. Persistence, together with the feedback that we get (including negative) helps to develop action confidence and leads to the last step of the U-journey.

Co-evolving is about reviewing what has been learned: what does work and what doesn't; deciding which prototypes might have the highest impact and moving to implementation, developing gradually. In the modern economy, there is no longer such a thing as a "finished product". Instead, we all got used to the latest and best evolved "versions" of products, as if development never stops. But even this most likely will not be our final version. Commonly, what we intend to create at the Co-initiation point is quite different from what eventually appears. The principal outputs of this stage are not the designed products themselves but sustained innovation, relationships with peers and users and resilience.

It is beneficial to use the Theory U in social entrepreneurship, because a value created by taking the Upath is not limited to mastering the management of change, but is also present in the development of different competences of the entrepreneur, as well as within the core team of people of the respective social enterprise. These further influences positively the growth and development of the social enterprise with the committed and motivated people.



16. Managing a "green" social enterprise: balancing between efficiency and the "green" social mission

16.1. Leadership VS management

Managing a social enterprise is a challenging thus inspiring mission. However, it raises a lot of unique, not common for for-profit organisations, questions. An innovative and exceptional leadership model called the "Flow compass" helps to understand and to optimally use the talents of each and every one in a "green" enterprise, so that its social purpose and business goals are accomplished. It also helps to discover personal and professional values and ambitions. Furthermore, it can be used to address the eternal questions of all leaders of social enterprises: What does prevail: business success or the social impact? How are they connected? And is it possible to balance them, or social business can never have commercial success? The model of the Flow Compass⁵⁸ was invented by a Dutch entrepreneur, business advisor and inspirational coach Jan Pieter van Lieshout. He uses it to lead individuals to the realisation of their strengths and achieve their personal and professional goals. Likewise, the Flow Compass model is used to help organisations to evaluate the potential of every team member and set the strategic course where the combination of qualities contributes to the success. To explain the Flow Compass leadership model, the metaphor of the 4 Compass directions can be used. It includes the four directions of: East, South, North and West.

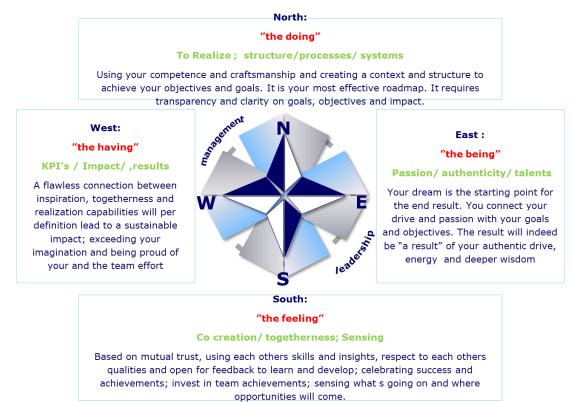


Figure 10: The Flow Compass, Source: Stichting MasterPeace

⁵⁸ Flow Kompas: <u>https://www.jpvl.nl/home/flowkompas</u>



The **West** symbolises the result. We frame this as "having". The "having" is not a process, but an endresult of hard and committed work. However, the best way to achieve the results and objectives is to start with the **East**: one's passion, inner drivers and values. The metaphor of "being" supports the dialogue with oneself first and then with their colleagues and partners. When one makes decisions based on what is in their East, they will come to realise own passion and ambition.

From the East, the flow goes to the **South** that symbolises the "feeling". The South addresses the qualities of empathy, sensing opportunities, the deep belief in abundance and surpassing the fear of competition or scarcity. It also stands for co-creation. In this step, one reflects with the other colleagues, project team members and partners: what do we see and feel as opportunities, what are our strengths and what are the topics that we do not feel comfortable with to achieve the best result. The **North** symbolises the "doing", organisational structure, the LEAN processes and operational systems. This is about planning and deadlines. Maybe, this is the most difficult part of the journey - the curve from the South to the North. It bridges the dimensions of Leadership (being and feeling) with the Managerial (the doing and having). Both qualities are needed to build a successful organisation and to flourish in our private and professional life.

The "being", "feeling" and "doing" will result in a "having" and the result is very likely to be different than planned. It confirms the idea that the true innovation cannot be calculated and exactly designed according to the plan, but can only appear from the unknown. This non-obviousness of the final result seems to be the essential characteristics of the contemporary business theories that is noticed by many change makers and advanced business leaders. It can be emphasised that East and South represent the Leadership characteristics and North and West the Managerial, however, it is the unique combination of the four that results in great success.

16.2. How to achieve a balance between business and social missions?

It might be coming as no surprise, but efficiency in the commercial meaning of this word and the "green" or social purpose of business - if it sets such goals - are two sides of the same coin. In terms of the Flow Compass leadership model, management, efficiency and results are represented by the North and the West, while the social service and purpose belong to the East and the South. Both, like it is on our planet, cannot do without one another. When we only dedicate our energy and efforts to the North-West, we fall out of contact with our customers and employees. Because the source of authenticity and creativity belongs there. Eventually, due to this disconnection we will have less profit, we will have to restructure the organisation, which is a wrong business cycle.

On the other hand, when we only work driven by our passions, co-create the concepts and generate ideas but don't state what should be an end result, don't act on them, don't deliver - it is a great inspirational work, but it is rather social activism than social business. It will come to an end soon, because there is no substance, no money flow, no financial sustainability. Only the combination of all four directions brings business to the balance. They also reinforce each other: financial sustainability guarantees that more social achievements will be accomplished, and regularly; the "green" purpose enriches the outcome of the business and indulges it.

Following the path from East to West through engaging South and North and we will eventually find the balance, because this path leads to it naturally. However, before stepping on this path the direction should be identified. As it was said above, we start with defining the goal in the West (all attributes of the West) - it will give us a guiding star. Then begin our journey in the East, where our true Self belongs. It is important to remember that this round the globe trip is to be repeated every year: it is a business cycle, in which the West is only a transitional goal, and the other three set a course to it.

16.3. How to run a successful Social Enterprise? - The power of Good

If we want to run a successful social business, the balance between efficiency and the "green" mission should be set as a part of our long-term strategy as well. This task brings us to the SOAR - an innovative approach to strategic management and positive leadership. This method is grounded in the positive principles of the Appreciative Inquiry - the method, described earlier in this book, that enables people to speak out their desires, concerns and thoughts about what is important. Just like Appreciative inquiry is used to manage the future through a positive change of today, SOAR uses the same positive energy of present to shape the future. It is a flexible and scalable framework, using which social entrepreneurs can approach strategic vision and mission formulation along with strategic planning, meaningful conversations, and decision making to fit their needs and culture. SOAR stands for Strengths, Opportunities, Aspirations and Results. Jacqueline Stavros, a professor at Lawrence Technological University, created a new strategic visioning method⁵⁹ to replace commonly used for strategic business planning SWOT - the analysis of Strengths, Weaknesses, Opportunities and Threats. The biggest difference between the two is that where in the SWOT analysis much of the energy is lost in the attention to the weaknesses and threats, the positive energy of SOAR comes precisely from the attention that goes to the strengths and opportunities. The strength of the organisation can be found there – meaning of wanting to be the best instead of wanting to do better.



Scope

Figure 12: SOAR model, Source: Expert Program Management (2019) <u>https://expertprogrammanagement.com/wp-</u> <u>content/uploads/2019/11/SOAR-Analysis-Matrix.png</u>

The first is based on the strength of the organisation, while the second is much more oriented towards what the competition does. While wanting to do better often leads no further than incremental improvements, wanting to be the best ensures breakthroughs and innovations. This also has to do with the fact that the SWOT is much more focused on analysis: looking back at what has been in order to continue from there. SOAR mainly wants to look ahead and initiate a powerful movement forward: much more focused on the future. This difference in orientation also means that where the energy in SWOT fades - there are so many weaknesses and threats - the energy in SOAR is actually reinforced: we are good and can become the best. SOAR uses the same modern competencies, e.g. Emotional Intelligence, Critical

⁵⁹ Strategic Inquiry Appreciative Intent: Inspiration to SOAR. A New Framework for Strategic Planning, Jacqueline Stavros, David Cooperrider & D. Lynn Kelley, Al Practitioner, Volume, November, 2003

and Design thinking, to gather information, involve different parties, build strategies and create innovative concepts. To apply SOAR thinking in the organisation one needs to be familiar with the three main principles that are fundamental for the process:

Involving all stakeholders

Traditionally, in the companies and organisations the board and the management team are the ones who overview the current strategic position and use SWOT that manipulates internal weaknesses and external threats in order to build a protective strategy for business. This is a top-down management approach which is by nature opposed to social enterprises that exist because of the certain request or need in the society, which can not be artificially designed on the top. SOAR turns this approach upside down by applying the Wholeness Principle of Appreciative Inquiry. It means involving internal stakeholders - employees from all levels in the organisation, inviting external stakeholders such as customers, suppliers and other partners. Doing so increases the organisation's ability to gather insights that go beyond those of board and management and to develop a strengths-based strategy that delivers new and improved products and processes. Thus, going hand in hand with the "green" mission of social enterprises.

Asking generative questions

Following the path of SOAR means conducting meaningful conversations. The basis for these conversations lies in social constructionism, one of the principles of Appreciative Inquiry. Conversations in the application of SOAR are conducted on each element: strengths, opportunities, aspirations and results. Using generative questions creates space for different perspectives, brings out new knowledge and information and stimulates creativity and innovation. Below is presented an example of SOAR usage:

 Strengths: What can we build on? What are we doing really well? What are our biggest assets? What are we most proud of? This forms the basis for further development and the creation of strategic advantage. 	 Opportunities: What are exciting opportunities, new ideas, innovations? What are our biggest challenges? How can we reformulate our challenges to see opportunities? What is possible together with others? We explore new opportunities and skills to advance the organisation.
 Aspirations: Imagine going much further than our strengths and opportunities. What does that look like? What are our dreams and wishes? What do we want to be? Which values drive our ambitions? What gives us wings? The strengths and opportunities are the source of inspiration for the aspirations. They aim at creating shared images of a future that may also serve the mission and the vision of the organisation. 	 Results: How do we know when we are successful and make a positive difference? What are our measurable and meaningful results? How do we make our strengths, opportunities and aspirations tangible? These conversations make the step from creativity to reality.



Positive reformulation

It is important to remember that weaknesses and threats also provide insight into the areas where the organisation can benefit from and grow. In SOAR's approach, they go along by reformulating them from a negative to a positive to focus the attention and the action on where we want to go and what we want more of. To make this transformation happen, one needs to first identify a weakness or a threat (What is it we don't want?). Then reverse the weakness or threat (What is the positive opposite that we do want?). And finally, crystallize the positive opposite by asking the question: what is the positive impact if what we really want were actually realised? Doing so, in SOAR we transform weaknesses and threats into opportunities.

Unlike other theories in this book, the SOAR method does not have such a pronounced cyclic recurrence. This is due to the fact that the SOAR targets long-term, strategic plans and actions that are durable by nature (5 to 10 years). However, we can still return to the SOAR analysis and the desired outcomes during yearly reviews to check whether we still follow the set course and make corrections if necessary. It also helps to stay in connection with the aspirations and envisioned future of the social enterprise.



17. Examples of good practices using social entrepreneurship for sustainable development and peacebuilding

The previous chapters brought an understanding about the concept and the role of the social entrepreneurship and its impact in the society, as well as the contribution and connection to the Sustainable Development Goals and Agenda 2030. It was also accented the concept of a green and ethical entrepreneur as the one who identifies the need and the problem, and uses entrepreneurial principles to address them through managing a social enterprise. In this chapter, we will shortly present four examples of successful social enterprises. They represent different industries, have different stories, are relatively new start-ups and old well-known organisations, they are local and international, but all of them are serving through their business a higher purpose and help solving problems in our society.

17.1. CRE8 Foundation

CRE8 URBAN FABRICATION

Their story

The Cre8 Foundation was started in 2013 with the aim of supporting and promoting talent development, and guiding youngsters with complex problems in such areas as housing, finance, education, work, health, justice, social network and leisure activities.

Their mission

To transform young people's creativity into the real possibilities at the workplace by offering them a professional training that also aims at changing lifestyle and gaining work experience.

What do they do?

CRE8 is a shop and workshop in the middle of Amsterdam where all products are self-made: from unique jewellery and personalised children presents to prototypes, scale models, one-offs and small series productions for business clients. In the workshop, disadvantaged youngsters are trained to become the digital craftsmen of the 21st century. All products are manufactured by use of digital production techniques like 3D printing and laser cutting.

What is their impact?

CRE8 Social Venture provides young people of Amsterdam with a way into the labour market and offers them guidance and an inspiring work environment. Besides gaining technical and practical knowledge about the machinery, these youngsters experience what it's like to work in a company and have the opportunity to expand their employee skills. As a company, CRE8 aims innovation and responds to the latest technological developments while keeping their ecological footprint as small as possible.

Learn more at <u>www.c-r-e-8.nl</u>





Their story

"Okus doma" means "taste of home". It is a Croatian social enterprise that has started as a culinary cultural research project of the Centre for Peace Studies - a non-government and non-profit organisation founded in 1996. The goal of the project was to introduce the culture, customs and countries of origin of refugees and migrants in Croatia by recording their memories of home and tastes of their cuisine. It took several years of research and preparation before in 2014 a book of personal stories and recipes was published. In 2015, a documentary movie "Taste of Home" was out.

Their mission

The mission is in the economic emancipation of refugees and migrants through the culinary and cultural exchange.

The vision of Taste of Home is "A colourful world embraced in hospitality".

What do they do?

"Taste of Home" helps the socially endangered group - refugees and migrants in Croatia - to build up skills necessary for better integration into society and start an employment process or become social entrepreneurs. By preparing the food of their home countries, refugees evoke memories but also find new friends and share experiences in their new home. Those connections are built through culinary workshops and food festivals organised in local neighbourhoods and Croatian towns. "Taste of home" also provides catering for parties and business conferences. Their services are not limited to culinary only but also include publishing cooking books, language courses and translation services at different events.

What is their impact?

The impact of their work lies in the promotion of cultural exchange, social inclusion and politics of refugee employment. Also, through their initiatives they contribute in empowering the skills for employability of refugees through training and supporting innovative initiatives of social entrepreneurship. Additionally, they focus on networking of civil initiatives in addressing social needs and inclusion of refugees.

Learn more at <u>www.okus-doma.hr</u>







Their story

In January 2010 Merijn Everaarts - the founder, launched a design competition to find the most sustainable alternative to single-use water bottles. Out of nearly 100 entries, Delft University of Technology alumnus Rinke van Remortel's design was chosen. Because of its unique three-part design, the bottle is easy to keep clean and durable. It is also a bottle and a cup in one. Dopper launched on October 10th, 2010 – "Sustainability Day" in the Netherlands.⁶⁰

Their mission

Saving the oceans. Choose reusable over single-use plastic and in that way, ensure clean waters.

What do they do?

Dopper is a social enterprise that aims to fight plastic pollution. They ethically produce and sell reusable water bottles and encourage people to drink water from the tap. But the bottle is just a start. Dopper Foundation, to which 10% of each sold bottle goes, drills water wells, installs sewer systems and builds toilet buildings in third world countries. Through different public campaigns, Dopper educates people about water and plastic waste. They also hold educational programs for pupils and students in Dutch primary and secondary schools and universities to raise awareness about tap water and the environment.

What is their impact?

The immediate impact is that individuals buy less single-use plastic and begin to drink from the tap. People in areas where sanitary norms are hardly followed get access to clean water. Dopper is a certified B Corp, which means they are part of the group of change makers that use business as a force for good.

Learn more at <u>www.dopper.com</u>

⁶⁰ Dopper (2021), <u>https://dopper.com/about</u>



17.4. ASHOKA



ASHOKA Everyone a Changemaker

Their story

Bill Drayton, an American social entrepreneur, launched Ashoka in 1981 with an aim to identify entrepreneurs all around the globe and help them so that they develop and implement their ideas of making the world a better place.

Their mission

Ashoka identifies and supports the world's leading social entrepreneurs, learns from the patterns in their innovations, and mobilises a global community that embraces these new frameworks to build an "everyone a change maker world".

What do they do?

Ashoka focuses on three strategic priorities to help to accelerate the change in the world:

- Based on the results of the rigorous selection process, Ashoka chooses social entrepreneurs who are leading the way to what they call "everyone-a-change maker" world. Those entrepreneurs receive a life-long fellowship and support, including financial, to make their ideas work.
- Ashoka runs educational programs aiming to transform how young people grow up so they have the power to lead, to contribute and to be in charge. Those programs aren't limited to youngsters but also spread to adults, organisations, and companies.
- The Ashoka Executive in Residence program endorse collaborations between companies and leading social entrepreneurs (Ashoka Fellows) that have the potential to change the current trends on the markets, dynamics of traditional markets, strengthen competitiveness, and create systemic social impact.

What is their impact?

In more than 35 years, Ashoka has created the largest community of social entrepreneurs in the world. Through the network of their fellows, students, schools, universities and corporations they build a movement towards an "Everyone a Changemaker World" where every person is powerful and can take creative action for social change in their communities.

Learn more at <u>www.ashoka.org</u>



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