



# THE BETTER ENTREPRENEURSHIP POLICY TOOL

## *SOCIAL ENTREPRENEURSHIP*

### *SELF-ASSESSMENT STATEMENTS*



**Social Entrepreneurship Culture**



**Institutional Framework**



**Legal & Regulatory Frameworks**



**Access to Finance**



**Access to Markets**



**Skills & Business Development Support**



**Managing, Measuring & Reporting Impact**

\* Each statement is assessed on a scale from 0 to 10. You also have the option to “No answer” if you do not have an answer or the question is not relevant to your context. This leaves the response out of the average calculation. Visit [www.betterentrepreneurship.eu](http://www.betterentrepreneurship.eu) to carry out the online self-assessment.



### Action Area 1: Social Entrepreneurship Culture

*Social entrepreneurship culture refers to local traditions and activities, including those by existing civil society and social economy organisations. You will explore whether efforts are made to raise awareness about social entrepreneurship and whether support is provided to citizen-led initiatives and social economy organisations. You will also be asked to what extent education providers promote social entrepreneurship through formal and non-formal learning, and whether universities conduct research in the area. Finally, you will be asked to assess to what extent statistical data on social enterprises is collected and analysed on a regular basis.*



#### 1.1. Active civil society and social economy organisations foster social entrepreneurship in your territory.

**A low score includes:**

- Civil society and social economy organisations are not active.

**A high score includes:**

- Civil society is active.
- Social economy organisations are active.
- Support is provided to citizen-led initiatives for the creation of social economy organisations.



#### 1.2. Awareness-raising activities are undertaken in your territory.

**A low score includes:**

- There are no particular efforts for raising the profile of social entrepreneurs and spark the interest for social enterprises.

**A high score includes:**

- Social entrepreneurs are showcased as role models.
- Contests for social entrepreneurs are organised.
- Social enterprises are promoted through various communication channels (e.g. online, press, radio, and local community media).



### 1.3. Education contributes to the development of positive attitudes towards social entrepreneurship.

#### A low score includes:

- There are no or limited efforts to promote social entrepreneurship through education.

#### A high score includes:

- Social entrepreneurship is promoted through formal learning (i.e. from primary, secondary, tertiary education) and non-formal one.
- Higher education institutions have programmes on social entrepreneurship.



### 1.4. Universities and/or the academia are active in the field of social entrepreneurship.

#### A low score includes:

- There is no specific effort from universities and/or the academia to promote social entrepreneurship.
- There is limited research regarding social entrepreneurship.

#### A high score includes:

- Universities or other research institutions promote social entrepreneurship, including in the public debate.
- There is ongoing research regarding social entrepreneurship.
- Researchers are connected to European/international networks.



### 1.5. Statistical data are collected on social enterprises.

#### A low score includes:

- There is no regular collection of statistical data carried out by public authorities or other organisations.

#### A high score includes:

- Public authorities regularly collect statistical data.
- Other organisations collect/use and analyse data.



## Action Area 2: Institutional Framework

*This module looks at institutional support to social enterprise development, including whether there is any statutory body set up for this purpose. You will also be asked to assess the extent to which there is adequate coordination between government agencies and levels of government and if there is a well-planned strategy to support social entrepreneurship in place, developed in consultation with relevant stakeholders.*



### 2.1. Institutional bodies support and engage with social enterprises.

#### A low score includes:

- There is no statutory body for social enterprises.
- The chamber of commerce or similar bodies do not engage with social enterprises.
- There is no formal recognition system for social enterprises.

#### A high score includes:

- There is a statutory body for social enterprises.
- The chamber of commerce or similar bodies engage with social enterprises.
- There is a registry or another mechanism through which social enterprises get formally recognised.



### 2.2. Effective coordination mechanisms build synergies among government agencies and across government levels.

#### A low score includes:

- There is a lack of coordination and communication among government agencies and across government levels.

#### A high score includes:

- Coordination among government agencies works well.
- Coordination across government levels works well.



### 2.3. The process for developing policies to support social enterprise development is inclusive.

#### A low score includes:

- There is no or limited involvement of relevant stakeholders during the policy development process.

#### A high score includes:

- Policies are developed through an inclusive consultation process.
- Relevant stakeholders are involved in the policy development process at an early stage.
- There is a balanced representation of stakeholders participating in the policy development process.



#### 2.4. A formally endorsed strategy for social enterprise development exists.

##### A low score includes:

- There is no formal acknowledgement of social enterprises in strategic documents of the government.
- There is a strategy but it lacks political support and/or policy objectives are not clearly stated.

##### A high score includes:

- There is a formally endorsed written strategy, which is coherent with the broader policy context.
- The strategy enjoys political support and commitment.
- The strategy includes specific objectives.



#### 2.5. The implementation of the strategy for social enterprise development is well-planned.

##### A low score includes:

- It is not clear who oversees the implementation of the strategy.
- There are insufficient financial resources mobilised for the implementation of the strategy.

##### A high score includes:

- It is clearly identified who is responsible for overseeing the implementation of the strategy.
- Sufficient financial resources have been mobilised for the implementation of the strategy.
- The strategy includes an action plan to attain its objectives.
- Progress against the objectives of the strategy is monitored and measured.



### Action Area 3: Legal & Regulatory Frameworks

*Without formal recognition, it can be difficult to distinguish social enterprises from other businesses. You will be asked to consider whether the existing legal framework defines social enterprises and whether administrative procedures to start a social enterprise are easy to access and understand. You will also explore to what extent investment on social enterprises is stimulated for example through fiscal incentives.*



#### 3.1. Social enterprises are legally recognised.

##### A low score includes:

- There is no or unclear legal recognition of social enterprises.
- The lack of appropriate legal forms constrains social enterprises' operation.

##### A high score includes:

- The legislation effectively recognises, differentiates, and supports social enterprises.
- There is (are) specific legal form(s) for social enterprises, or social enterprises can operate through a wide variety of legal forms.



#### 3.2. Legislation on social enterprises is pertinent and has been developed together with relevant stakeholders.

##### A low score includes:

- There is no clear identification of the features of social enterprises.
- The legislation fails to recognise the wide range of activities that social enterprises can pursue.
- Relevant stakeholders do not have the opportunity to be involved in the preparation of the legislation.

##### A high score includes:

- The legislation provides a definition and presents the key features of social enterprises.
- The legislation sets out the activities that social enterprises can pursue.
- The content of the legislation was developed through an inclusive consultation process.



### 3.3. Administrative procedures specific to social enterprises are accessible and clear.

#### A low score includes:

- Information on administrative procedures is scarce and hard to find.
- Information on administrative procedures is hard to understand.
- Relevant stakeholders do not have the opportunity to be involved in the preparation of the legislation.

#### A high score includes:

- Information for establishing a social enterprise is easy to access.
- Information on administrative procedures is easy to understand.
- The content of the legislation was developed through an inclusive consultation process.



#### Action Area 4: Access to Finance

*Access to finance is central for social enterprise development. You will be asked to assess whether the finance market has been mapped, which financing instruments are available for social enterprises and whether there are specialised providers supporting their access to finance. You will also consider awareness-raising among mainstream finance providers and if public funds are leveraged to facilitate social enterprises' access to finance.*



#### 4.1. The financing market has been mapped.

##### A low score includes:

- There is a lack of Information regarding the financing needs of social enterprises and potential funders.

##### A high score includes:

- The financing needs of social enterprises have been assessed.
- The main actors providing funds to social enterprises have been identified.
- The main types of financial intermediaries have been identified.



#### 4.2. Social enterprises have access to the appropriate type of financing for their stage of development.

##### A low score includes:

- There is a limited range of types of financing for social enterprises.
- The available types of financing do not cover the needs of social enterprises in different stages of development.

##### A high score includes:

- Grants and other subsidies are available.
- Debt financing is available.
- Quasi-equity or mezzanine finance is available.
- Equity financing is available.
- Hybrid finance instruments that combine grants, debt, quasi-equity and equity are available.





#### 4.3. Social enterprises are supported in their financial development by a number of specialised services providers.

##### A low score includes:

- There is a lack of specialised service providers that help social enterprises to develop the capacity to find, attract, and communicate with funders.
- Capacity-building support by specialised services providers is not affordable for social enterprises.

##### A high score includes:

- Specialised service providers help social enterprises to develop the capacity to find, attract, and communicate with funders.
- These services are affordable.
- If services provided are expensive, financial support is available to social enterprises for accessing them.



#### 4.4. A sufficient number of specialised private funders actively targets social enterprises.

##### A low score includes:

- There is a lack of specialised private funders who invest in social enterprises.

##### A high score includes:

- Specialised private funders are actively targeting social enterprises as an investment opportunity.
- Public funding is used to incentivise specialised funders to actively finance social enterprises.



#### 4.5. Policymakers actively reach out to the mainstream funders to raise awareness about social enterprises.

##### A low score includes:

- There are no or limited efforts for raising awareness about social enterprises as an investment opportunity.
- There is no or limited guidance for funders on how to finance social enterprises (including through EU instruments).

##### A high score includes:

- Good practices of social enterprise financing are collected from the mainstream funding community.
- Awards and other types of dissemination activities about good practices in social enterprise financing are conducted.
- Trainings and guidance are available to financial institutions to build capacity on how to finance social enterprises.
- Guidance to finance providers on how to access EU instruments supporting social enterprise is available.



#### 4.6. Public funds are leveraged to fund both social enterprises directly and through intermediaries.

##### A low score includes:

- If available, public grants targeting social enterprises are scarce.
- There are no or limited publicly supported financing schemes that combine multiple financial instruments.
- There are no guarantee schemes for intermediaries.

##### A high score includes:

- Social enterprises can benefit from public grants supporting specific projects.
- Publicly supported financing schemes that combine grants, loans, guarantees and other financial instruments are in place.
- Intermediaries can benefit from public guarantee schemes to provide funding to social enterprises.



## Action Area 5: Access to Markets

*Social enterprises need to have proper access to both public and private markets. You will look at the extent to which public procurement is used to support access to public markets by social enterprises, and whether social enterprises make use of new technologies to expand their own commercial opportunities and market access. You will also be asked to assess the extent to which social enterprises partner with other firms.*



### 5.1. Social enterprises use the opportunities of new technologies to access markets.

#### A low score includes:

- Social enterprises rarely use new technologies for accessing markets.

#### A high score includes:

- There are social enterprises that offer their products/services by using new technologies, such as online market places or tools which help matching supply and demand.
- There are social enterprises that use new technologies to develop new products/ services in order to diversify their activities and penetrate new markets.
- There are social enterprises that use new technologies to offer their products/ services internationally.



### 5.2. Social enterprises have access to public markets.

#### A low score includes:

- Social and/or environmental considerations are not reflected in the public procurement rules enforced.
- Public procurement rules allow social and/or environmental considerations, but they are not commonly used.

#### A high score includes:

- Public procurement is used to achieve social and/or environmental objectives.
- National legislation enables the use of social and/or environmental considerations, as in line with the Directive 2014/24/EU on public procurement.
- Public authorities use social clauses in their procurement.
- Public authorities use reserved contracts in their procurement.



### 5.3. Public authorities are supported in using social clauses in their procurement.

#### A low score includes:

- There is no or limited of guidance on public procurement to civil servants.
- There is lack of interaction between public authorities, the social enterprise community, and procurement experts.

#### A high score includes:

- Capacity-building and dedicated training is provided to enhance the skills of civil servants on public procurement.
- Technical guidance is available at all government levels.
- There is a platform for dialogue between public authorities, the social enterprise community, and procurement experts.



### 5.4. Social enterprises have access to support for responding to calls for tender.

#### A low score includes:

- There is lack of training and support programmes to help social enterprises to participate in calls for tender.
- If available, the guidance documents for social enterprises are hard to understand.

#### A high score includes:

- Dedicated training and support programmes are available to help social enterprises participate in calls for tender.
- Formal technical guidance documents are available and easy to understand.



### 5.5. Social enterprises use the opportunities that are offered in the private markets.

#### A low score includes:

- There is a lack of commercial partnerships between social enterprises and other firms.
- Social enterprises do not participate in networks and activities of the larger business community.

#### A high score includes:

- Social enterprises establish commercial partnerships with other firms.
- Social enterprises bid for contracts with other firms.
- Social enterprises participate in networks and activities of the larger business community.
- Social enterprises produce services/goods for individuals.



## 5.6. Measures that support social enterprises' access to private markets exist.

### A low score includes:

- There is a lack of initiatives for encouraging other firms to involve social enterprises in their supply chain.
- There is a lack of initiatives encouraging consumers to buy products or services produced by social enterprises.

### A high score includes:

- Campaigns encourage other firms to involve social enterprises in their supply chain.
- Campaigns encourage consumers to buy goods and/or services produced by social enterprises.
- There are recognition/certification schemes to help identify social enterprises.
- Firms collaborate with social enterprises within their CSR framework.



## Action Area 6: Skills & Business Development Support

*Social entrepreneurs whose main motivation is social impact do not always have the skills to develop strong business models. You will consider whether affordable training, coaching and/or mentoring initiatives are available for the different stages of development of social enterprises. You will also be asked whether network activities help social enterprises connect with peers to learn from others' experiences.*



### 6.1. Dedicated training initiatives are available to social enterprises.

#### A low score includes:

- There is a lack of dedicated training.
- Available training initiatives do not address the specific needs of social enterprises.
- Available training initiatives focus only on one stage of development of social enterprises.

#### A high score includes:

- Dedicated training is available for key issues, such as business skills, social impact measurement, management and social skills.
- The training is tailored to the stage of development and maturity of the social enterprises.



### 6.2. Social enterprises have access to coaching and mentoring programmes.

#### A low score includes:

- There is lack of coaching and mentoring.
- When they exist, coaching and mentoring is too expensive.
- The coaches and/or mentors have not received training that allows them to understand the specificities of social enterprises.

#### A high score includes:

- The coaching and mentoring programmes are affordable.
- Coaches and mentors receive training in providing support to social entrepreneurs.
- There is a matching mechanism to ensure that there is a "good fit" between the social entrepreneur and their coach and/or mentor.



### 6.3. Business development support structures are available to social enterprises.

#### A low score includes:

- There is a lack of incubators and hubs.
- Where they exist, dedicated incubators and hubs are not well known.

#### A high score includes:

- General business development support structures also provide integrated support to social enterprises.
- Dedicated incubators and hubs are available to help social enterprises to be established and grow.
- Dedicated incubators and hubs are promoted through various channels.
- The scale of support meets the demand of social enterprises.



### 6.4. Networks support the development of social enterprises.

#### A low score includes:

- There is lack of support for the development of networks.
- Existing networks are of limited scale.
- There are no or a limited number of activities relevant for social enterprises in existing networks

#### A high score includes:

- There are initiatives that support the creation and development of networks.
- Networks help social enterprises to connect with peers and develop transnationally, including through online platforms and face to face events.
- Networks stimulate knowledge sharing.



## Action Area 7: Managing, Measuring & Reporting Impact

*While managing and reporting impact is crucial for social enterprises, this can be both costly and time-consuming. You will assess whether social enterprises and their umbrella organisations engage in co-constructing measurement and reporting frameworks, and if support like training and/or access to existing methodologies is provided. It also asks you to look at whether research in this area is promoted and if evidence generated is used in public debates.*



### 7.1. Social enterprises have access to methods for measuring and/or reporting impact.

#### A low score includes:

- There is a lack of efforts to share knowledge that help social enterprises to measure and/or report their impact.
- If available, support is expensive.

#### A high score includes:

- An open-access online repository of methods for measuring and/or reporting impact is available in the native language.
- Affordable support is available.



### 7.2. The impact metrics and reporting techniques are co-constructed with the social enterprise community.

#### A low score includes:

- When they exist, social impact measurement standards have been adopted without involvement of social enterprises.
- There is no platform for dialogue among relevant stakeholders.

#### A high score includes:

- Social enterprises and their coordinating bodies are closely involved in defining impact measurement and reporting techniques.
- There is a platform for dialogue among all stakeholders.





### 7.3. Awareness-raising initiatives on impact measurement and/or reporting exist.

#### A low score includes:

- There is a lack of communication and awareness raising initiatives on the benefits of measuring and/or reporting impact. The few efforts that have been made were unsuccessful.

#### A high score includes:

- Campaigns illustrating the benefits from measuring and/or reporting impact also consider the challenges and the capacity of social enterprises.
- Stakeholders who design impact measurement and/or reporting requirements are made aware of the specificities of social enterprises
- Social enterprises are made aware of the availability of resources and approaches to measure and/or report impact.



### 7.4. Impact measurement and/or reporting features are discussed in the public debate and feed into policy-making.

#### A low score includes:

- Evidence produced by impact measurement is not used in public debates.

#### A high score includes:

- The public sector systematically evaluates the impact of its key policy interventions.
- Evidence produced by impact measurement is used in public debates.
- Research on impact measurement is promoted.