



RISE – Realities in Social Enterprise

Strategic Partnership project within
Erasmus+ KA2 Programme



Erasmus+ KA2 Adult Education Strategic Partnership
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REALITIES IN SOCIAL ENTERPRISES

As social enterprise architects and trainers we miss the information on lessons learned from case studies of social enterprises that failed from various reasons.

Since nobody is researching and building databases on social enterprises seen and studied from a different point of view, why not change paradigm and promote social enterprise and social entrepreneurship in a way to also show bad models that were implemented and failed from various reasons? Why not use that as an educational model and teach others not to repeat the same mistakes?

Specific objective of this project is to promote (social) entrepreneurship education in EU through design, production and dissemination of education materials.

Project is in particularly focused on social enterprises from EU that ended up their activities, as we thought that obstacles they faced may serve as learning lessons for those social enterprises that are struggling with different challenges.

Main outputs of the project:

- Educational Manual and Interactive Map of unsuccessful Social Enterprises in EU
- Training Course Curriculum - an innovative, modern and interactive educational program for social entrepreneurs

REALITIES IN SOCIAL ENTERPRISES

Educational manual

WHY "FAILURE" IS IMPORTANT AND HOW WE CAN LEARN FROM IT

- Talking about the 'failure' is still very rare in the world of social enterprises
- Discourse on social enterprises, no matter from which side is coming (academic, public, civil society sector...), is filled with success stories or best models and examples. Those serve well to show what social entrepreneurship is and to inspire others for enrolling in the sector.
- However, we think failure is also important. By making a failure visible and talking about the failure many things may be learned about functioning of the social enterprise in the real world.
- **Knowing something you shouldn't do is often more valuable than knowing what you should do**

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Educational manual

To find out what are the main lessons learned from those social enterprises that ended up or are seriously struggling to survive, we conducted a study from January to April 2018. The study was based on a qualitative and interpretive methodological approach and used in-depth interviews as a main technique for gathering data.

THE MOST COMMON REASONS FOR THE FAILURE OF SOCIAL ENTERPRISES

- Misunderstanding that social enterprise is a real company
- Unrealistic expectations and unrealistic optimism
- Insufficient capacity and misunderstanding of the importance of business planning
- Not following their own intuition
- Choosing wrong target group
- Choosing too small or wrong market
- Losing interest
- Project manager became the director of a social enterprise
- A social enterprise was set up because of its available funding

REALITIES IN SOCIAL ENTERPRISES

Educational manual

HOW CAN SOCIAL ENTERPRISES IMPROVE THEIR CHANCES FOR SUCCESS

- Deeply analyze your business idea before starting a social enterprise
- Instead of thinking about how to offer the best product / service on the market, you should ask and research whether your product / service is what anyone wants or needs
- Be aware that you also compete with traditional companies in the market
- Act as an ordinary business; you must have a sufficiently high turnover and not rely solely on project financing
- Seek the help of professionals who can help you with the commercial part of the business
- Develop a business network, sharing your ideas with others, attending trainings, workshops,...
- **BE PERSISTENT!**

REALITIES IN SOCIAL ENTERPRISES

Training Course

Long are gone the days in which business planning was the only tool available to entrepreneurs and businesses to create a sustainable competitive advantage.

While providing guidance for well-established organisations, business planning, a managerial tool, lacks the flexibility, and the plasticity required in setting up a new venture. In the last ten to fifteen years, a new set of tools and practices have emerged in the business world which are more appropriate when creating and validating a new business idea.

The training course we developed within project RISE introduces these new tools. Training course also aims to instruct business trainers on how to facilitate these new tools in the context of the social enterprise.

We as trainers share the responsibility to facilitate a new agenda for social enterprises, which starts by placing creativity, iteration, user co-creation, prototyping and testing at the centre of the daylily work of entrepreneurs.

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Training Course

MODULE 1: Design Brief & Value Proposition

AIM: to introduce social entrepreneurs to the concept of the Value Proposition and the Design Brief as a first step in starting a social enterprise.

MODULE 2: Research

AIM: to introduce social entrepreneurs to the two main types of research (qualitative and quantitative), their primary functions, how do they differ, and how to implement them.

MODULE 3: Brainstorming & Creative Sessions

AIM: introducing the concepts and the practice of creative thinking to social entrepreneurs setting up a new business.

MODULE 4: Prototyping/Testing

AIM: introducing the concepts and the practice of prototyping and testing to social entrepreneurs setting up a new business.

MODULE 5: The Business Model

AIM: introducing starting entrepreneurs to the concept, role and the practice of business modelling. This module also highlights the importance of the process of validating a business model before getting started with business planning.

MODULE 6: Business Plan & Finance

AIM: to introduce social entrepreneurs to the concept of the Business planning and the financial projections needed in starting a social enterprise.

REALITIES IN SOCIAL ENTERPRISES

Project partners

**“Partas – Get Tallaght Working Co-operative Limited”
from Ireland**

**“Društvo Connect, so.p.”
from Slovenia**

**“ACT Grupa”
from Croatia**



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