

WP T3

**Knowledge management, stakeholder involvement and sustainability of project results**

ACTIVITY A.T3.3

**Action plans for the long-term operation of SBMSs and the mentoring of managed networks**

## **Action Plan for Podravje region (D.T3.3.2)**

Created by:

Foundation for improvement of employment possibilities PRIZMA  
in cooperation with  
Sklad 05 – Foundation for Social and Impact Investment

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## INTRODUCTION

*Based on the needs of Social Enterprises detected in AT1.2 and the Social Enterprises support and networking methodology designed (AT1.3 & 1.4.) and tested in pilot actions, Foundation PRIZMA draw up Action Plan for Podravje region, including roadmap and measures to set up and operate mentoring services dedicated to Social Enterprises as well as plans for networking facilitation.*

*The aim of Action Plan is to define Social Enterprises support services, define skill & knowledge development tools and foresee actions for Social Enterprises cooperation facilitation to be provided by Foundation PRIZMA. Action Plan also describes the institutional settings and financial/business models necessary for the operation of SE mentoring services.*

## GENERAL INFORMATION

Partner organisation:	Foundation PRIZMA
Other partner organisation involved (if relevant):	Found 05
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## 1. BACKGROUND

### 1.1. Needs of Social Enterprises

Many SEs in Slovenia were established by/as NGOs. Those enterprises often lack skills to shift from project-based funding to income-generating activities on the market. In the last years the number of SEs have increased considerably, probably due to the specific incentives relating to public funding which required a social enterprise status. Consequently, there is a large share of SEs which lack entrepreneurial, business and financial skills. SEs also operate without proper market research, a viable business model and, consequently, knowledge of the market. In particular, marketing and sales are issues SEs struggle the most with.

Related to the provision of access to public procurement opportunities SEs are frequently disadvantaged if the only criterion for selection is the price. Although the national legislation enables reserved public procurement (public procurement intended for SEs), its use in practice is quite rare, most likely due to the ignorance of this option. For the purpose of promotion of SEs, the statistical data can poorly support the sector, since there are no indicators supporting the justification of social impact, that SEs could use when proving their social value. Apart from the various laws regulating the field of social entrepreneurship, SEs are mainly missing the strategy and the measures providing support to establishing new business models in the SE sector. Financial support is needed in the (social)business start-up phase, as well as during the development phase, but should not lead to SE dependence on financial support, but to strengthening them in order to be able to manage themselves.

Highlighted is also the need for networking and mutual exchange of knowledge and experiences. The networking is needed especially in the field of marketing: joint promotion and support in selling, joint internet platform, common appearance on the market. Important support should be given to networking, exchange and transfer of knowledge and development of innovative forms of business cooperation between social enterprises to produce synergies on their ways of solving social problems. In addition, the need to identify and share good practice – what works well, together with the proposal not to limit this sharing and networking only to SEs, but to involve also successful business cases from “traditional” economy to inspire entrepreneurial behaviour and in connections with high-tech companies start to occupy market niches in the context of the green (circular) economy, re-use and industrial symbiosis.

## **1.2. Social Enterprises supporting ecosystem in each region**

The emergence of new SEs and the growth of the successful ones is largely dependent on the infrastructure in the form of business and innovation support environment, and financial mechanisms and investors. The existing business support environment is well established, but it rarely offers services that respond to the specific needs of the SE sector, which applies also to networking and knowledge transfer. Generally, there are SE support organisations, but they do not have unified professional standards, are not well connected and do not have systemic resources to operate. In the Podravje region such organisations decided to connect into a regional network of supporting organisations to build a supporting ecosystem and started to cooperate under the national SocioLab project, that is closely linked to Sentinel activities.

The existing political and legislative environment in Slovenia is “good enough” for the development of SE. However, a clear and strong strategy with a working programme and appropriate measures is missing. Within the banking system there is not enough favourable resources for SEs and personalised treatment of their projects, and the bank loans for SEs are difficult to access at the same conditions as for the traditional businesses. The financial measures by the state are sporadic, not enough, often for the inappropriate content, and (worryingly) with a downward trend.

## **1.3. Outputs of WPT1: Handbook, Toolbox**

Within the work package on models of SE two outputs were created that were highly relevant for the implementation of the pilot action. The Handbook for creation and operation of „managed networks” of social enterprises provided tools and methods that could be used in order to create creative and effective networking eco-system by SE support organisations, development agencies and SEs.

The Toolbox for Social Business Mentoring Services was designed for organisations providing support and mentoring for SEs to help them to improve skills and competencies and operate sustainably. It provides hands-on tools and methodologies for the support of SEs in disadvantaged regions, that may become the drivers of the sustainable growth in economic, social and environmental sense.

Both documents offered relevant and practical tools and methodologies to be used during the pilot actions implementation, at the same time the latter tested their practical application and feedback to the finalisation of both documents.

#### **1.4. Pilot Actions – description of each pilot action and their outputs**

The **aim** of the pilot action in Podravje was to support SEs to be able to play a prominent role in the local economy. With the **objective** to improve SEs' managerial competencies and entrepreneurial mind-sets, the pilot activities supported:

- Development of a holistic approach to the provision of individualised business support.
- Setting up the network of social mentors and business advisers to support empowerment of SEs.
- Promoting peer learning through exchange of ideas, knowledge and experiences.
- SEs networking with businesses and support organisations in carrying out marketing activities.
- Establishment of cooperation of existing SE support organisations in the region.

The pilot target group were owners, managers and employees of SEs in Podravje region who were constrained with the insufficient level of business knowledge, skills and entrepreneurial mind-set. They were approached individually by mentors, coming to their local environment to interview them and draw a development plan for the empowerment process. The mentoring and advising activities were implemented at the SEs locations, while training and networking took place at different locations throughout the Podravje region. This enabled better accessibility and availability of such services especially for SEs located in communities outside the regional centres.

Indirect target group of the pilot were mentors and business advisers who were involved in the network of supporting model for SEs. They were selected upon the established standards and competencies profile and engaged according to the specific needs of SEs. At the early stage of the pilot activity, the mentors and advisers were invited to the preparatory training on social economy and social innovation topics.

Another indirect target group of the pilot were SE support organisations and other businesses that were involved in networking activities with SEs. They were a part of the supporting model. They comprise members of a national project stakeholder group and other stakeholders identified by SEs in their local environment.

The implementation of pilot actions resulted in improved business skills of owners, managers and employees from 27 SEs, an established database of mentors and advisers, and the network of SEs in the region.

## 1.5. Trends and future challenges

Key potential for the development of SE in Slovenia, if we follow the problems / challenges / resources on one and possible SEs on the other hand, are:

- High unemployment: Employment, especially of vulnerable groups such as youth, is an area of SE potential. The SE sector is typically oriented towards job development for vulnerable groups. SEs gear their businesses towards keeping jobs instead of prioritising profit. Thus, a focus lies on labour-intensive industries and services that require such labour that is not technology - substitutable (e.g. human contact, artistic creation, etc.).
- Need for social services: long-term care services, personal and household services, care services (community care), etc. OECD data show that Slovenia's population is aging faster than in most other countries. This is just one of the reasons for developing care services.
- Greening the economy (green and circular economy): these are areas where the potential for development to develop intensively is sufficient for both classic and start-up companies, as well as SE entities.
- Rural development: According to Eurostat, rural communities throughout Europe face unique challenges in building and sustaining an economy with fewer job opportunities and a narrower range of economic activities than in urban areas. This challenge is being addressed by SE entities in the field of local resources, local self-sufficiency, organic farming.
- Access to credit: Development of the second level of the sector (federations and funds). In Slovenia we cannot promise the development of our ethics bank and the question is whether a small country also really needs it. There is certainly great potential for the SE sector in the connection to federations and confederations and through a strong national network, following the example of other countries, forms a private development social economy fund.
- Tourism: Tourism cooperatives, development support and association organisations common tourism products, dispersed hotels, tourist revival of degraded areas. SEs can play an important role in enabling Slovenian tourism to generate benefits for an entire society with a positive impact on employment and sustainable promotion of cultural and environmental heritage.
- Networking for development: Bringing different community stakeholders together around certain economic activities; development of cooperatives for systematic bottom-up local and regional development.

## 2. CONCEPT OF THE SOCIAL ENTERPRISES SUPPORT SCHEME/SERVICES.

### 2.1. Vision of Action Plan

With the Action plan we are pursuing the following vision:

*“Podravje is the region, where the potential of individuals, initiatives and communities is enhanced with the purpose of expanding the social economy (social enterprises and cooperatives) and the related creation and maintenance of quality and lasting jobs in the social economy sector and expanding the offer of accessible (socially) innovative products that will ensure greater social inclusion of vulnerable groups, contribute to poverty reduction and increase the quality of life as well as economic and social development.”*

During the project the support to SEs was provided to enhance their potential with mentoring and advising and strengthened SEs abilities at points where they lacked knowledge and experience to be able to impact the regional economy. While doing that the database of mentors / advisors was built and the network of stakeholders that has a role of supporting ecosystem was established. Along the way, elements of good practices from other project countries identified during the study visits were combined with regional activities. In the following period the SE supporting system with its stakeholders and services should be further developed and local/regional authorities more involved in development of the sector.

Four **main activities** of the Action Plan will be implemented:

1. Establishing a comprehensive ecosystem to support SE sector in the Podravje region  
*(further strengthening of the ecosystem stakeholders, providing support and services to SEs and SI initiatives, establishment of sustainable model suitable for transfer to other regions, raising of awareness on importance of social economy in the region)*
2. Supporting preparation of SE strategy for the city of Maribor (2020 – 2027)  
*(detailed analysis of SEs in Maribor municipality, definition of key issues of social entrepreneurship in municipality, identification of solutions and definition of vision and SE strategic objectives, operational objectives and measures for SE development)*
3. Realising a Social Innovation Lab  
*(Delivering activities of social innovation process from prompts (crisis, poor performance, etc.), inspirations and diagnosis, to proposals and ideas all the way to prototyping)*
4. Supporting networking and exchange and transfer of knowledge  
*(implementing activities of SETAN and the National SE coordination group networks, exchanging information and resources, collaborating with SE stakeholders cross-sector and cross-border, implementing advocacy activities for SE sector)*

## 2.2. Objectives and priorities of Action Plan

Under this action plan the following objectives and priorities are to be achieved:

- to foster collaboration between stakeholders involved to drive social change,
- to enhance potential of organisations and individuals to support and serve social issues and needs,
- to determine the direction and scope of social entrepreneurship in Maribor.

## 2.3. Timeline and funding program of Action Plan

<b>Activity</b>	Establishing a comprehensive ecosystem to support SE sector in Podravje region
<b>Activity description</b>	<ul style="list-style-type: none"> <li>- developing a portfolio of ecosystem services to encourage, accelerate and grow SE sector in the region (information, networking, mentoring, advising, training, premises, advocacy, access to finances, promotion)</li> <li>- delivering start-up and development support to SEs and SIs</li> <li>- verifying and selecting appropriate management model</li> <li>- raising awareness on importance of social economy in the region</li> <li>- placing the ecosystem in the wider development context of the Podravje region and wider Eastern Cohesion region</li> </ul>
<b>Objectives</b>	<ul style="list-style-type: none"> <li>- to foster collaboration between stakeholders involved to drive social change</li> <li>- to enhance potential of organisations and individuals to support and serve social issues and needs</li> </ul>
<b>Expected results</b>	<ul style="list-style-type: none"> <li>- a sustainable model of regional SE support ecosystem</li> <li>- SE support organisations with relevant competencies and tools to support start-up and development of social businesses and initiatives</li> <li>- SEs empowered to play a prominent role in regional economy and creating significant shift in society (social impact)</li> </ul>
<b>Timing</b>	2020 - 2021
<b>Financing</b>	European Social Fund (Project SocioLab)

<b>Activity</b>	Supporting preparation of SE strategy for the city of Maribor (2020 – 2027)
<b>Activity description</b>	<ul style="list-style-type: none"> <li>- analysing SEs in Maribor municipality in detail</li> <li>- defining key issues of social entrepreneurship in municipality</li> </ul>

	<p>(development workshops with relevant stakeholders)</p> <ul style="list-style-type: none"> <li>- identifying solutions and defining the vision and SE strategic objectives, operational objectives and measures for SE development (development workshops with relevant stakeholders)</li> <li>- preparing the strategy document</li> <li>- defining the action plan with measures (moderated meeting)</li> <li>- preparing the action plan document</li> <li>- adopting the strategy and action plan at city council</li> </ul>
<b>Objective</b>	- to determine the direction and scope of social entrepreneurship in Maribor
<b>Expected results</b>	- developed SE strategy for the city of Maribor
<b>Timing</b>	2020 - 2022
<b>Financing</b>	Interreg MED, ERDF (project +Resilient)

<b>Activity</b>	Implementing Social Innovation Lab
<b>Activity description</b>	<ul style="list-style-type: none"> <li>- identifying, diagnosing &amp; ranking social / community problems (problem tree, analysing available open data, mapping needs, assets, making problems visible i.e. using Jane's walk, video, etc.), ranking /valuating identified problems</li> <li>- creating proposals and ideas to solve identified social/community problem (hackathon/s, design thinking...) and selection of one idea that will be prototyped further on (pitch, voting)</li> <li>- prototyping / testing the idea in practice: providing support to idea holder(s) by using mentoring/coaching methods, use of fablab facilities, networking etc.</li> <li>- testing and if necessary, improving the program of Social Innovation Laboratory</li> </ul>
<b>Objective</b>	- to enhance potential of organisations and individuals to support and serve social issues and needs
<b>Expected results</b>	<ul style="list-style-type: none"> <li>- individuals and organisations supported in the social innovation process</li> <li>- developed social innovations</li> <li>- established hub for social innovation in the region</li> </ul>
<b>Timing</b>	2020 - 2022
<b>Financing</b>	Interreg CE, ERDF (Projects IN SITU, CERUSI) European Social Fund (Project SocioLab)

<b>Activity</b>	Supporting networking and exchange and transfer of knowledge
<b>Activity description</b>	<ul style="list-style-type: none"> <li>- actively participating in the SETAN and implementing its main activities and values</li> <li>- actively participating in the National SE coordination group and implementing its activities</li> <li>- exchanging information and resources</li> <li>- collaborating with SE stakeholders cross-sector and cross-border</li> <li>- implementing advocacy activities for SE sector</li> </ul>
<b>Objective</b>	- to promote and strengthen social enterprises vision and role in the regional economy and society
<b>Expected results</b>	<ul style="list-style-type: none"> <li>- SEs with enhanced knowledge and stronger position</li> <li>- local communities, public sector and decision makers aware of the importance of the SE sector</li> <li>- new measures and programs proposed and introduced to support SE sector</li> <li>- development of innovative forms of business cooperation in Podravje region</li> </ul>
<b>Timing</b>	2020 - 2022
<b>Financing</b>	Interreg CE, ERDF (Projects IN SITU, CERUSI) European Social Fund (Project SocioLab)

### 3. EXPECTED RESULTS AND TRANSFERABILITY

#### 3.1. Stakeholders and their influence – policy recommendation

Already in the implementation of the SENTINEL pilot action the relevant stakeholders were actively involved in the planning and delivery of SE support activities in the region, while most of them were also implementing activities within the national SocioLab project. The latter represents the framework for implementation of further activities oriented towards the SE support. It is to become formal network of SE support organisations and stakeholders, like local development organisations, advocacy organisations, SEs, WISEs, chambers. They are building the joint regional SE ecosystem offering support and activities for SEs and SI initiatives in the Podravje region.

SocioLab representatives already initiated the establishment of Committee of social economy and NGOs at the Development Council of Podravje region, in order to influence the planning and implementation of regional measures and projects.

During the last year a non-formal SE coordination group of national stakeholders delivering projects, programmes and activities for SE sector was formed and joint by Foundation Prizma. This group is having the overview of the most of project activities related to SE and SI in the country and has an advocacy role towards the national authorities.

Moreover, this network is connected to the national level with their representatives being members of the national Council of social economy, that will elaborate the strategy of social economy development for the upcoming period.

### **3.2. Transferability potentials**

The Action plan could be transferred to the regions with comparable legal, economic and social arrangement. All activities / actions from the Action plan could be reused and/or adapted accordingly. However, differences between regions may well impact on the degree of transferability of the Action plan to other regions. Therefore, it is highly recommended to identify regional differences and baselines and then adapt the elements of the Action plan.

### **3.3. Influence on the labour market**

Foundation PRIZMA is already using the deliverables and outputs of the Sentinel project as a starting point or building block of activities for development of SE sector that are running under several national / international projects and in that way contributing to the job created in the SE sector. As a result of expanded operations of SEs involved in the pilot action at least 4 new workplaces are to be created.

### **3.4. Amount of funds foreseen to be leveraged based on project achievements**

Foundation PRIZMA is already using the deliverables and outputs of the Sentinel project as a starting point or building block of activities for development of SE sector that are running under several national / international projects and in that way leveraging the funds:

- Regional project SocioLab (started in April 2018) = 1,6 mio EUR
- Interreg +Resilient (started in February 2018) = 0,2 mio EUR
- Interreg In Situ (started in April 2019) = 0,1 mio EUR
- Interreg CERUSI (started in February 2020) = 0,1 mio EUR

#### 4. QUALITY ASSURANCE

The evaluation will be conducted with the purpose to get the information that will be important for a continuous improvement process of delivering support to SEs and SIs in the Podravje region. The information will allow us to track and assess what has changed (intended and unintended), understand the reasons for changes and interpret the changes.

With the aim to determine the relevance, efficiency, effectiveness, and sustainability, the following key evaluation questions will be investigated:

- How relevant is the Action plan to target groups' needs and priorities? (relevance)
- Were objectives achieved on time? (efficiency)
- To what extent were the objectives achieved/are likely to be achieved? (effectiveness)
- What were the major factors influencing the achievement or non-achievement of the objectives? (effectiveness)
- To what extent are the results likely to continue after the Action plan expires? (sustainability)
- Is stakeholders' engagement likely to continue after the Action plan expires? (sustainability)

The information we will collect will be:

- Quantitative information expressed in numerical terms as numbers and ratios for example. This information will allow us to answer 'what', 'how many' and 'when' questions.
- Qualitative information expressed through descriptive prose and will address questions about 'why' and 'how', as well as perceptions, attitudes and beliefs.

For the collection of the information (internal monitoring) following methods will be used during the Action plan implementation:

- Questionnaires and checklists at the events
- Interviews with the target groups and stakeholders
- Documentation review (SEs development plans, reports, ...)
- Observation of processes

The evaluation will be conducted by an internal evaluator, that will use the information collected by the internal monitoring system and will supplement this with other information from surveys and semi-structured interviews with internal and external stakeholders.

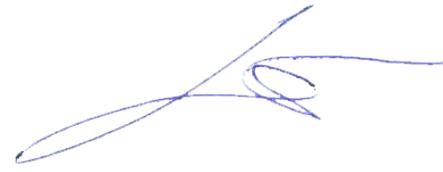
## ANNEX I.

### Declaration of intent

On behalf of the decision-making body of **Foundation for Improvement of Employment Possibilities, PRIZMA I**, the undersigned, hereby declare, that the Action Plan designed in the framework of the SENTINEL Project was endorsed and adopted by our organisation.

Date: 5. 5. 2020

Dušanka Lužar Šajt, director  
Foundation for Improvement of  
Employment Possibilities, PRIZMA



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(Stamp and signature)

## ANNEX I.

### Declaration of intent

On behalf of the decision-making body of Sklad 05 – ustanova za družbene naložbe (Fund 05 – Foundation for Social and Impact Investment) I, the undersigned, hereby declare, that the Action Plan designed in the framework of the SENTINEL Project was endorsed and adopted by our organisation.

Date: 05.05.2020

Primož Šporar  
CEO Fund 05

**sklad05**  
ustanova za  
družbene naložbe



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(Stamp and signature)