Social Entrepreneurship 4 Arts

PR1 - Protocol for the acquisition of skills and competences on entrepreneurship

Summary of Unified Mixed Research Report

ICTIDCenter

Introduction

The main objective of SE4Arts Project is to boost young artists' skills to establish creative social enterprises to enable them with competencies to develop their ideas in a competitive market, introducing as an alternative option social entrepreneurship in the area of art and culture. The project aims to achieve this through the development of a (targeted) tailor-made training course for young artists (18-35) and senior students of secondary and tertiary education in creative majors such as arts and humanities.

This Summary of Comparative Report is one of the final outcomes of Project Result 1, the "Protocol for the acquisition of skills and competences on entrepreneurship". It gives a brief overview on the situation in the different countries and about the needs and obstacles for young artists.

The primary aim was to collect evidence-based practices and consequently develop the social entrepreneurship training course content. The research carried out foresaw the following main steps:

1. Analyses of each **national context of social and economic exclusion of young artists**, reflecting on how the social, political, economic and cultural environment challenges the start-ups of social enterprises run by young artists

2. National desk research about **current delivery approaches and methods** of social entrepreneurship training

3. Collection of at least **3 good practices** of successful social entrepreneurship trainings/programs per partner.

4. Implementation of **focus groups** (national field research) with 10 young professional artists/senior students in each partner country to enrich the data and complement the desk research, regarding obstacles & needs of young artists (in starting a social enterprise)

5. Research on the **training requirements of mentors** in social entrepreneurship education will be studied and mapped, offering a comparative needs assessment of the learning needs of the prospective trainees, which will be used for the design of the project Mentorship program.

Each partner wrote a national report based on the Unified Mixed Research Reporting Template and prepared the good practices based on a unified template and summarized below. For a more detailed information on each specific project partner country, the national reports should be consulted.

A short theoretical framework about creative social entrepreneurship training was given as an overview on the main challenges, tackled by the project; followed by the outputs of the desk country researches and including the PESCULT analysis, describing the situation of social entrepreneurship for young artists in each country, as well as an overview about the existing training methods in this field. The outcomes of the comparative field research gave a helpful insight of the challenges and needs of European young artists and their expectations towards potential mentors in social entrepreneurship for arts.

This summary report will be translated and made publicly available in Bulgarian, German, Italian, Greek and English languages.

Desk Research

Researchers from each partner organisation conducted a review of relevant literature and resources in their countries, guided by the concepts, questions, and indicators outlined in the methodology.

The findings of this research, in combination with the findings of the field research, built the basis for the other project results.

The first part of the analysis looks at the political, economic, social, cultural, legal and technological situation in the field of social entrepreneurship for arts in each country. Furthermore, existing and currently used delivery approaches, methods, and training topics in this area are presented to understand what is working well and on what the project can build.

Finally, a collection of good practices of different training approaches in social entrepreneurship in arts was created to be also shared with the stakeholders through the website of the project in a further step.

o **Analyses of each national context of social and economic exclusion of young artists**

PEST Analysis (Political, Economic, Social and Technological) was first introduced under the name ETPS by Harvard professor Francis J. Aguilar in the 1967 publication "Scanning the Business Environment". A popular variation on the PEST Analysis format, especially in the U.K. and Ireland, is the PESTLE strategic planning approach, which includes the additional aspects of Legal and Environmental. For the purpose of this project, the partnership introduces a new acronym: **PESCULT** context analysis of the business context of social entrepreneurship for arts, standing for: **P**olitical, **E**conomic, **S**ocial, **CU**ltural, **L**egal, **T**echnological.

PESCULT Aspects	Results
Political	The research found out that political climate for social enterprise development in the partner countries varies from poor (Bulgaria, Greece) via moderately good (Cyprus, Italy) to very good (Germany and Ireland). - In some partner countries there was a range of local/regional/national public bodies that support young artists & social entrepreneurship e.g. public bodies that provide training for artists/young people that want to be involved into social entrepreneurship, while in others there was no such support which is still making the establishment and sustaining of an arts-based social enterprise to be a challenging endeavor. - Although there is a general European Union (EU) unification of the legislation, there is still a difference in which the local/regional/national **policies** in the different partner countries are promoting social entrepreneurship training and education. Some are providing a more favorable legal contexts while other still stay at the level of vague and unclear legal definitions and lack elaborated approach in social enterprise legislation measures at the local and national level. - In some partner countries there are still not clear strategies, therefore the partners made an effort to identify the gaps and offer solutions.

Economic	The research focused on the business infrastructure, entrepreneurial climate, social enterprise start-up rate, governmental and non-governmental funds, intergovernmental funds and economic support programs in each partner country. The results pointed out that social enterprises operate right across society and the economy in each project country, addressing social, economic and environmental challenges. In most countries, many social enterprises interact with a wide range of government funding schemes and programs, in areas such as labor market policy, rural and community development, childcare, health, social inclusion and environmental policy. The first two years of the Covid-19 pandemic were economically hard for most of the companies in all partner countries, but especially social enterprises and the cultural and creative industries were hit hard. In was pointed out that social enterprises, like conventional start-ups, need capital for substantial investments to achieve their social impact. For this, they often use hybrid and heterogeneous financing options. A major obstacle is that a social investment market is non-existent in Greece and Bulgaria. There are no specialist financial intermediaries or instruments that cater to the specific needs of social enterprises. Generally, the research found out that there is no serious investment market for social enterprises in all the project partner countries. In some of them this structure is totally missing. Many companies there are heavily reliant on donations. In others the situation is somewhat better but generally support programs are all relatively new.
Social	Social capital, social partnerships and networks. Local/regional/national support points, e.g. civic society organizations that support/create opportunities for young artists. A small number of associations and foundations in Greece, Cyprus and Bulgaria have recently developed economic activities to generate income that support their sustainability. Although they cannot define themselves as social enterprises, these entities often focus on providing services for the wellbeing of vulnerable groups and/or socially excluded groups and generate a significant portion of their income by engaging in economic activities, including recycling, the production of organic products and operating second-hand shops. Activities and projects related to the social and work inclusion of vulnerable or marginalized groups are also performed by associations and foundations. In **Germany**, there exist a number of Social Impact Labs, Impact Hubs as well as the *Social Entrepreneurship Academy* and the *Impact Factory*: Social start-ups can participate in programs and benefit from various training, networking and support projects. In **Italy** the challenge for youth-led companies in general, operating in an era of turbulence, is considerable. Ten major crises followed one another in less than a quarter of a century. From the great crisis born of finance and spread to the real economy (2008-2009), to the sovereign debt crisis (2011-2013), followed by the first phase of the

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	Russian-Ukrainian crisis (2014), the global pandemic (2020), the bottlenecks along global supply chains and the escalation of commodity prices (2020-2021), the outbreak of the energy crisis (2021) to the invasion of Ukraine (2022), events transversed by a progressive climate crisis and a return of demographic winter. We have moved from the 'short century' to the 'century of uncertainty'.

Social Entrepreneurship is a rapidly growing area, as businesses can no longer operate in isolation from social, environmental and political challenges. Whilst the origins of public support to the social enterprise sector lie in two successive schemes that targeted the social economy more broadly, public support to social enterprises has become more explicit in recent years. |
| **Cultural** | This part of the research focused on the presence of entrepreneurial culture, cultural attitudes to social enterprises/NGOs, human rights culture, culture of charity; cultural values of creativity and innovation.

In partner countries such as **Bulgaria**, Greece and Cyprus due to the lack of tradition and culture in developing the third sector during the communist era, social enterprises still are not well-understood and often are misperceived by society at-large. Most cultural and creative social enterprises are managed by persons who often don't have any business background. Furthermore, the staff of social service NGOs and enterprises are mostly composed of artists, creatives, social workers and philanthropists, and the science of making money is completely foreign to them.

Art and creative sector workers in **Italy** are suffering more than other categories from the emergency situation, so much so that a reform of the sector is increasingly urgent. This happens mainly because at the cultural level, the work of artists and creative people is not given its due importance, since little recognition is given to the impact they can have on the welfare of communities. Social entrepreneurs create social innovations and test their impact model to solve social and environmental challenges. In **Germany**, almost 90 % of DSEM enterprises rated their social enterprise as innovative in at least one area. In **Ireland**, as a consequence of the major emigration that took place to the USA, America began to have a major influence and this was never more so than from the time that Ireland reopened its economy to foreign direct investment A serious cultural impact on social entrepreneurship in Ireland had religious institutions. |
| **Legal** | This part of the research studied on the Legal Framework for SE in each partner country. The research found out that the selection of a legal form is often a difficult task for social entrepreneurs. The fulfilment of the "double bottom line", i.e. the generation of social added value while at the same time ensuring financial sustainability and stability, represents a major challenge in the choice of legal form. With their social enterprise, social entrepreneurs want to solve a social challenge in an entrepreneurial way and/or anchor strong corporate values around social and ecological sustainability also by means of a legal form.

Many social entrepreneurs are particularly concerned with the question of whether non-profit status makes sense in their case and how it can be implemented in comparison to |

	traditional start-ups. In some countries (Bulgaria, Greece) the local legislation does not provide a clear legal definition of social enterprise, nor are there any rules that regulate their status, form and activities. Consequently, social enterprises adopt a variety of legal forms; the three most common ones being non-profit legal entities such as associations and foundations; cooperatives, and specialized enterprises for people with disabilities. Until very recently, there was no clear definition of the term 'Social Enterprise' in either Company Law or other legislative instruments in Cyprus. In addition to that, there have been no specific legislative instruments which govern the establishment, incorporation, constitution, synthesis and operations of social enterprises. There are no institutionalized forms of social enterprise in **Ireland**. Whilst the development of a nationally recognized definition of social enterprises is a recent and ongoing process in Ireland, there are existing 'labels' that can be used to describe the types of organizations that could be considered social enterprises. In Ireland, share companies and non-profit companies (limited by guarantee) which have a "charitable purpose" as their main object and do not distribute profits can apply to the tax authority for particular tax exemptions. Many social entrepreneurs are looking for a legal construct that combines both non-profit and commercial status. In contrast to other countries, German and Italian legislation does not (yet) offer an ideal solution to this conflict. Accordingly, most social entrepreneurs have to decide for or against a non-profit status. In some cases, social enterprises solve this problem with hybrid structures. That is, they combine several legal forms in order to do justice to all interest groups in their enterprise. This results in a heterogeneity of legal forms in the social entrepreneurship sector.
Technological	Infrastructure, Knowledge, Skills, Social/cultural attitudes Examining the best practices of social entrepreneurs who successfully use information and communications technology (ICT) to create social impact in the project partner countries, we could see that they have moved beyond digital literacy, managed to incorporate deep stakeholder involvement and successfully communicate their results to the community via social media and other digital channels. In addition, the COVID-19 pandemic has accelerated digital transformation and highlighted the opportunities and challenges of delivering services online. However, to a lesser or higher extend, in all project partner countries the research identified that there is still a need to develop digital strategies for social enterprises as a key to scaling innovative social enterprises towards sustainable development and empowering social entrepreneurs to drive social inclusion. The states and local authorities still lack adequate policies and programs to equip social enterprises with digital tools and strategic planning on digital transformation, so they can transform their operations, empower their clients and take the impact of the social economy to new heights.

Current delivery approaches, methods, and training topics of social

entrepreneurship training

○ Learning Approaches for Social Entrepreneurship Training

Different learning approaches are currently used in social entrepreneurship training can give insights into the topic. These may be formal educational approaches in formal learning settings (e.g. study courses), non-formal educational approaches that are provided in non-formal learning settings (e.g. NGO- based free training) or examples of vocational training, provided by companies or municipal training centres.

In addition, the COVID-19 pandemic situation has introduced radical challenges to the society and has impacted significantly, especially the process of entrepreneurial competencies, skills and attitudes development.

There are both formal and non-formal education programs in social entrepreneurship. The formal education provides studies in social entrepreneurship only at the higher level of education. Social Entrepreneurship Initiatives at all three levels: Primary, Secondary, Tertiary.

- **Initiatives at Primary Level**
  - ○ Junior Entrepreneur Programme
  - ○ Junior Achievement
  - ○ BizWorld

- **Initiatives at Secondary level**
  The Student Entrepreneurship Programs in different countries

Business educators and policy makers have evolved beyond the myth that entrepreneurs are born not made. Given that major growth is partially explained by the creation of new ventures, the question of whether it is possible for each entrepreneurship has become redundant. The more pertinent question focuses on what should be taught and how entrepreneurship programs should be structured and delivered to ensure a sufficient supply of entrepreneurs and the development of entrepreneurial thinking.

Entrepreneurship education reflects a unique cultural, social, political and institutional history. It has emerged from a multi-layered and complex context and includes: political and cultural
the nature and structure of primary, secondary and higher education institutions (HEIs).

Skills underpinning social entrepreneurship are also central to the training and there are many examples of good work being undertaken in many schools at transition year in mini- company formation and other projects designed to foster social entrepreneurship. All of the above skills, allied with the attainment of competence for lifelong learning and for creating a culture of enterprise. Educators are free to complement the above with specific entrepreneurship education resources.

1.1.2 Methods and Techniques/Training Tools

There exists a vast number of different approaches, methods and techniques that are used for training in the different countries in the field of social entrepreneurship. They are also interdisciplinary. Although in each country there might be a different focus, they can all be applied universally. This part of the research gave an overview about the creative and well-suited methods and techniques/training tools that are used in (social entrepreneurship) training in each partner country that can be applied to the target group. These may include formal education training tools as study boogs, monographs, student manuals etc. or non-formal training tools and techniques as training toolboxes, manuals, specific guidelines for trainees and trainers or digital platforms.

The methods and techniques/training tools used in social entrepreneurship training are the following:

- **Formal education methods**: lectures, tutoring, individual and group consultancy, usually delivered as a long-term program, starting from a few months to 5 years.
  - o Advantages: Benefiting from a high expertise and established teaching technique. ECTS credits. Applicable both as face-to-face and online training modes.
- **Non-formal education methods**: based on learning by doing, interactive, participatory learning, usually short-term programs from one to few weeks; sometimes they could last a couple of months.
  - o Advantages: Benefiting from an open, accessible, interactive and learner-centered training approach that is permanently adopting to the ever-changing needs of the learners. Applicable both as face-to-face and online training modes.
- **Mentorship Programs**. Usually delivered in non-formal learning settings by NGOs and foundations. The mentor is responsible to give advice and guide them to acquire the required skills.
  - o Advantages: It provides the learner with instant feedback that brings a sense of accomplishment. In most cases it is applicable both as face-to-face and online training modes.
- **Work-based learning**: both BA and MA programs offer work-based learning in social entrepreneurship. It encompasses a diversity of formal, non formal and informal arrangements including apprenticeships, job shadowing, work placements, study trips and informal learning on the job.
  - o Advantages: Application of classroom learning in real-world setting; Establishment of connection between learning and practice; Expansion of curriculum and learning facilities.

General challenges

Some systematic reviews of entrepreneurship education in the partner countries reported that the pedagogies being used are under-described, while terms are lacking clear conceptualization and definition and evidence- based teaching requires that educators are intentional and focused.

There are ongoing discussions about how and what to teach, ensuring that the learning process would be grounded in the best available evidence to ensure quality educational outcomes.

In spite of the ongoing research and state and civil society efforts, to date, in cultural and arts-based social entrepreneurship education, there is a range of important pedagogical questions that still remain unanswered.

o **Training Topics**

Within the existing training programs that were listed in the previous chapter different training topics emerged. Below is a list of the training content that is done and required within these programs

The formal and non-formal training program's topics in social entrepreneurship in the individual project partner countries generally would include the following groups of topics:

- Definition of social enterprise; key features, local legislation and format. Intellectual
- The social enterprise as part of the social economy, history of emergence, benefits of the social economy.
- Overview of European and international practices.
- Skills for identifying the distinctive characteristics and attributes of social enterprise and social entrepreneurship.
- Formulation of a business idea for the social enterprise; generating and evaluating business ideas.
- Legal and organizational form for the social enterprise.
- Choosing a business model and setting financial goals.
- Marketing - Business plan of a social enterprise - business planning, structure and content of the business plan.
- Sources of financing of the social enterprise; equity and debt capital
- Social venture financing and start-up issues Identifying risks of the social entrepreneurial career.
    - o multiplicity of skills, including negotiation, leadership, new product development,
    - o creative thinking and technological innovation.
- Start-Up Success Stories
- Critically evaluating relevant theory associated with social enterprises and social entrepreneurs in an Irish and international context.
- Evaluating initiatives to create social impact and bring about social change;
- Identifying issues within and preparing responses to the integrative and dynamic nature of the social entrepreneur's operations.
  Relatively few programs focus on the ethical dimensions of social entrepreneurship.
  Consistent themes across all programs, are issues that relate to:
    - o the characteristics that define the social entrepreneurial personality;
    - o the challenges associated with the early stage of venture development;
    - o ambiguity tolerance;
    - o idea protection;
- Monitoring, risk assessment and evaluation.

Good Practices of social entrepreneurship training programs

Each partner collected at least 3 good practices of existing social entrepreneurship programs/trainings from different European countries. With the help of a template, they analyzed which learning approaches were applied, the methods, techniques and tools that were used or what the most relevant topics were. They furthermore explained why the approach or method is a good example and why it is relevant for the project. The partners identified 23 good practices from 21 different countries assigned to them

- **Field Research: Focus Groups**

The aim of the focus groups was to enrich the data and complement the desk research of the project SE4A by capturing experiences, thoughts, recommendations, beliefs, and ideas about: Obstacles & needs of young artists interested in promoting their artistic works through a social entrepreneurship model. The insights will be addressed through the training curriculum and the set-up of an effective mentoring system.

Focus groups with different numbers of participants were held in Italy, Bulgaria, Cyprus, Ireland and Greece. In Germany, although some artists showed their interest in the project, the focus group couldn't take place because there were not enough responses for participation of the dates, announced. Therefore, ITALCAM decided to hold interviews and deliver questionnaires in order to gather relevant information for a comparable analysis between Germany and the other project partner countries.

The focus groups participants and those taking part in the interviews were young artists, professional and nonprofessional creatives, covering the project's target group. With some small exceptions, participants were between 18 and 35. The more experienced artists were able to give insights into the situation and what helped them or what they lacked while starting their business.

- Needs

The needs of the artists were identified by different questions and were divided into three categories: Needs for cultural adjustments, needs for social adjustments and needs in capacity-building, including education and training.

Needs for cultural adjustments

- Local support from the municipalities and local communities in order to raise public awareness, educate communities and build a positive and welcoming public opinion towards cultural social enterprises and their positive impact on the social and economic development of the communities
- Understanding in the communities that social enterprise is about 'local heroes" who are grounded in the community, provide goods and services to local people.
- Promote social enterprises as economically beneficial to the communities as they are run by people from the local community and employ local people this way supporting the local economy
- More gender mainstreaming in the field of female entrepreneurship, empowering women

Needs of social and economic adjustment

- Governmental policies and programs that regulate the support to art-based and cultural enterprises
- Social awareness and social reflection to realize the value of social benefits and willingness to dedicate themselves to this accumulation
- Access to funding and finance: expand remit of credit unions; develop new finance options (impact investment, venture philanthropy, social impact bonds); make better use of EU funds
- Institutional support, help in finding and managing tenders or funds
- State and European long-term financing schemes in order to be able to secure competent staff to run the enterprise.
- Medium-term equity and investment resources
- Economic sustainability
- Develop leaders and harness wider community support – build management capacity in social enterprises through existing work placement programs.
- Constant support, regarding both technical and economic aspects
- Networking opportunities and good examples, connections
- Participation in local, national and international networks of cultural social entrepreneurs, where they can share ideas, exchange practical experiences, learn from failures and success, meet and compare other colleagues and learn from them
- Psychological support

Needs in capacity-building, including education and training

In order to address the gaps in capacity building, some focus group participants pointed out the need to provide improved access to advice and supports to assist social enterprises and social entrepreneurs - including through standard services such as local enterprise office services where appropriate – in order to develop the capacity of artists and cultural entrepreneurs to develop their business proposals.

- ○ **Training Tools**

During the focus groups, the participants discussed their experience with different training tools, gave recommendations and shared their training needs and expectations. Furthermore, they also discussed the delivery and different suitable training methods on social entrepreneurship for arts.

- ○ **Potential Mentors**

The participants of the focus groups gave their feedback on their expectations from potential mentors, so they could act as a helpful support in establishing and running a creative social enterprise.