

Overview of Social Entrepreneurship Business Model

Part 2

Social Entrepreneurship for Local Change

April 5, 2018

A lecture by Prof. Dr. Carmen Paunescu, ASE – Bucharest University of Economic Studies

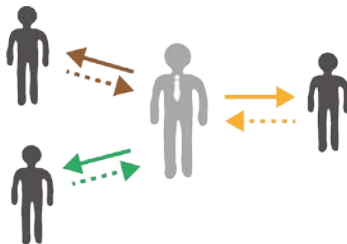
Business Model Framework for Social Enterprise

Key components



Problem that is
worth solving
Solution

- **Market size and segments:** who they are, what their key attributes, how many
- **Relationship:** the communication strategy and type of connections with customers
- **Distribution:** the channels used to reach the customers
- **Competition:** current alternatives



- Costs structure
- Revenue model

Benefits, results
& Impact

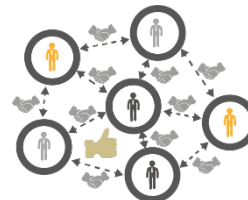
- **Value chain:** the chain of activities for operations



- **Key resources** (physical, intellectual, human, financial and impact) and **competences** (skill, knowledge, or ability)



- **Partner network:** the network of cooperative agreements with other organizations



Social Challenge: In Romania, there are many families with children who live on the streets and seek social reintegration. Unfortunately, there is little support to help them get back on their feet, both personally and professionally.

Solution: CONCORDIA Bakery provides social reintegration for families in Bucharest + job opportunities for the best students from its CONCORDIA Vocational School. The students are young people from vulnerable families or who live on the streets and are looking to reintegrate into their communities.

Impact Area: Labor Inclusion

Beneficiaries: Youth (vulnerable families)

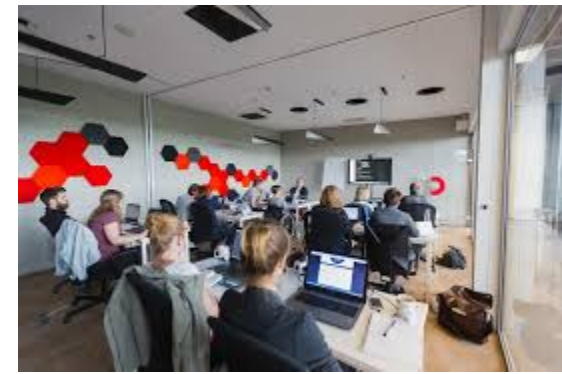


Results & Impact

- 10 graduates hired in bakery
- 60+ bakery school graduates
- 15 graduates hired on the open labor market through mediation



Coders Lab



Social Challenge: Due to a lack of appropriate skills, youth in Poland suffer from unemployment and underemployment. Youth leaving state-run foster care institutions are in a particularly difficult situation, as they often take poorly paid jobs, since they have no opportunities for quality education.

Solution: SE trains youth across all levels of education in programming skills so that they can build a career in the IT sector. It helps at-risk youth leaving the foster care system gain independence and secure jobs in the IT industry. The company's Możesz ITy training program provides young people with hard skills in coding, while also integrating courses in essential soft skills, such as interpersonal communication, teamwork and time management.



Impact Area: Labor Inclusion

Beneficiaries: Youth

coderslab.pl/en/

Coders Lab

Results & Impact

1,000 Coders Lab graduates to date

10 young people leaving state-run foster care institutions trained in 2017

82% employment rate among all Coders Lab graduates

80% graduates go on to find IT jobs and pursue IT career tracks.





Made in Rosia Montana

Social Challenge: Roșia Montană is a village in a mono-industrial area where there are very few job opportunities. As a result, many women in the community are unable to secure a source of sustainable income for their families.

Solution: The social enterprise sells handcrafted wool clothing products, including socks, caps, gloves, scarves and yoga socks. The products are knit by women in Roșia Montană, providing them with income and allowing them to obtain a higher standard of living. The women work from their own homes and enjoy a flexible working schedule so they are able to continue be be involved in the life of the local community.

Impact Areas: Sustainable Income, Environment

Beneficiaries: Women, Small Producers & Artisans, Rural

www.madeinrosiamontana.ro



Made in Rosia Montana

Results & Impact

- 50 women from vulnerable groups receiving income
- 400 lei average monthly income generated per woman
- 100% estimated increase in average monthly revenue in 2016





Canvas Workshop

Social Challenge: Nearly 200 different species of marine life die from the estimated 46,000 pieces of non recyclable plastic debris that make their way into the ocean annually.

Solution: The social enterprise sells environmentally friendly shopping bags made from natural materials as an alternative to plastic bags: products made from untreated and undyed cotton, 0 waste production, promoting sustainable production and consumption.

Impact Areas: Environment, Sustainable Income

Beneficiaries: People with disabilities (who work from home or in ViitorPlus' production facility)





Canvas Workshop

Results & Impact

- More than 50.000 bags
- Helped 8 people to enter the job market
- Hired 16 people within 3 years of activity
- A growing client portfolio
- 60 new jobs created
- 961 people placed on the labor market



Recicleta

Social Challenge: Office paper waste management

Solution: La Recyclette the first project in Romania that is neutral from a carbon emission standpoint. Its objective is collecting office paper waste to be recycled. The paper is transported by cargo-bicycles, unique in Romania, driven by people with social problems, who thus have a work-place insured.



Impact area: Promoting sustainable development on a local level, Environment
Beneficiaries: People with social problems

<https://www.recicleta.ro/>



Recicleta

International award

Results & Impact

- 10 people with disabilities entered the job market within 6 years;
- Over 290 tones of paper recycled; 4.350 trees saved, less than 274 tones of CO₂ emissions;
- Over 8.000 employees collecting paper from over 200 firms partnered with Recicleta;
- Over 5.000 people from Bucharest benefit from Recicleta services (the no. is growing).



Courrieros

Social Challenge: The package delivery industry in Brazil is valued at US\$24 billion per year and growing, powered by 1.5 million “motoboys” who deliver packages on motorbikes. Only 23% of motoboys work under formal contracts and with legal registrations, resulting in poor employment conditions. Their motorbikes add to congested roads, noise levels and pollution in the cities.

Solution: SE is a bicycle-based urban delivery social enterprise that trains, hires and professionalizes at-risk youth as deliverers. They provide services for the delivery of documents, items purchased through e-commerce sites and food. Most employees come from low-income backgrounds and have never worked before in the formal economy. A job with Courrieros gives them regular income, health care, social security and opportunities for further career development.

·
·

Impact Area: Labor Inclusion,
Environment

Beneficiaries: Youth, Urban

www.courrieros.com.br



Courrieros

Results & Impact

50 at-risk youth employed Courrieros as bike messengers

200 clients in Rio de Janeiro

140 at-risk to be employed by 2020

64 tons carbon dioxide emissions conserved (delivery service is environmentally friendly, faster and cheaper than competitors)





Village Life

Village Life

Social Challenge: Romanian villages are a rare sight in Europe and beyond. Many are models for true environmental sustainability. However, there is little economic incentive to maintain village traditions, homes and way of life. Small-scale household farming is under pressure from industrial farms.

Solution: Village Life promotes sustainable rural development by connecting urban travelers with old world village life in the heart of rural Romania.

It contributes to filling the gap between what the **villager** can offer and what the **city person** needs.

It facilitates exposure of our rural beneficiaries to good practice examples and creating connections with sources of know-how





Village Life

Village Life

Results & Impact

- Introduced the concept of development through responsible travel to almost 30 Romanian villages
- Over 70 rural families benefitted (directly or indirectly) from capital infusion brought through Village Life's travel program
- Brought 150 travelers from more than 10 countries to visit Romanian villages that were never thought of as touristic
- 22 families hosted events and provided guidance to travelers, gaining experience in the hospitality sector, an important source of non-agricultural income
- Promoted responsible travel to the Romanian village, as well as its traditions and customs, to over 500 000 people all over the world



Hercules Association

Social Challenge: In the community of Costesti, there is a great need to prevent and fight problems such as: school dropout, family abandonment and violence, adolescent delinquency, and social exclusion of older people.

Solution: The social enterprise offers the opportunity for socialization and social involvement to beneficiaries of all ages, within the community. It has built an events center that is available for rent to individual and local companies for events such as weddings, dinners, conferences, and seminars. Upon request, it also offers additional services such as event production, catering and decorating services.

Beneficiaries: Low-income children, Rural.



Contributions:

- Membership
- Volunteering
- Mentoring
- Training
- Donate: 2% income tax
- Sponsorship: 20% tax on profit
- Donations online, offline and inkind
- Buying from the social enterprise
- Gifts
- Grants



Alko Soft

Social Challenge: The majority of visually impaired people in Hungary do not have access to newspapers and other printed matter, nor to universal services that are taken for granted by many. They often cannot afford tools and equipment that would grant them independent access to information, culture and services.

Solution: SE offers IT support for people with visual impairment, promotes ICT accessibility, and sells equipment for the visually impaired. It recently launched a specialized digital newsstand for visually impaired people, offering access to several highly reputable nationwide newspapers and magazines.



Impact Area: Affordable Technology

Beneficiaries: People with Disabilities

www.alkosoft.hu/



Alko Soft

Results & Impact

Number of users of affordable technology

Number of accessible nationwide newspapers and magazines

720 people whose lives improved thanks to Alko-soft services

US\$70,942 annual income in 2016



Social Challenge: The textile industry is one of the most significant and important sectors of the Brazilian economy. Every year, the industry produces 175,000 tons of textile waste, which causes a negative impact on the environment.

Solution: SE specializes in recycling used textiles to make corporate gifts and blankets. It offers corporations with an easy way to dispose of their used uniforms and other textiles, helping them to meet environmental regulations. It trains and contracts women from low-income communities to produce the upcycled corporate gifts and blankets, increasing their household income and livelihoods.

Impact Area: Sustainable income,
Environment

Beneficiaries: Women, Small Producers &
Artisans, Urban



Retalhar

Results & Impact

10.5 tons textile waste to be recycled
38 local women to receive income
2,956 underserved individuals reached

