

EVALUATION OF SOCIAL ENTREPRENEURSHIP

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Executive summary

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Survey on supported persons – social enterprises employees with disadvantages

All respondents from the target group of supported persons — employees of social enterprises with a disadvantage — appreciate not only the overall adaptation of the conditions in the social enterprise to their needs, but also individual approach and connection to specialized centres. It is also important for them to be able to make a personal contribution to the enterprise in the form of their own ideas or improvements. Similarly, it is also important for them to encounter other people with the same, similar or other types of disadvantage.¹

One of the tasks of social enterprises is to get employees to identify with the enterprise and its goals. This is a success for all companies: all respondents – supported persons – have a sense of coherence with their social enterprises. The influence of the supported persons on the direction of the company and its shift is manifested above all at a concrete level that is closely related to their work activities. It relates to their specific work tasks, the results of the work of individual supported persons, the job content, the working environment and the possibilities of their creative development. As far as the terms of the contract are concerned, they are mostly evaluated positively and without any problem.

Regular income is both a direct solution of the respondents' financial situation and we can also track the indirect impact on overall improvement of the quality of their lives, increasing self-confidence, or the level of independency. Getting a job in a social enterprise is therefore also stabilizing for their lives, and for all respondents it has meant a great change for the better.

The skills acquired at work in social enterprises are also valued as important by the respondents. Not only practical skills and specialization, but also soft skills such as communication with colleagues and team work, as well as working habits as such, are important. Supported people have several sources for developing their knowledge and skills; most often these developments take place directly at the workplace by gaining experience from other colleagues, or in specialised trainings. Respondents often do not have an experience with the concrete field to which the social enterprise specializes, so in that case they also get a new specialization, thanks to which they can be more interesting for the general labour market.

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¹ The companies involved in the research mostly employ only the disadvantaged people, so the co-operation of people with and without a disadvantage in one place usually does not occur.

If we compare the satisfaction of the supported persons before entering the social enterprise and at present, we can see a significant shift in the assessment of all respondents towards higher satisfaction. Work in a social enterprise is not only a matter of their financial and job situation, but the benefit to the lives of supported people is also reflected in more complex consequences such as self-confidence, family relationships, social contacts, a feeling of their contribution to the society, opening new leisure-time opportunities, and the quality of life in general.

Survey on beneficiaries – representatives of social enterprises

The survey was conducted in ten enterprises located in various parts of the Czech Republic. Despite the fact that businesses have various specializations, their leaders are predominantly people who place great importance on the social side of the business. Not all executives are educated in a social field. But this is not a problem, as the interviews have shown that there is no universal guide for social enterprise management.

In choosing a group of disadvantaged persons, prior experience with people with a given type of disadvantage or the possibility of establishing collaboration with non-profit organizations, schools for hearing impaired, etc. is of major importance. Through these contacts, businesses gain new employees and therefore, in most cases, they do not need to use Internet portals or the Labour Office to offer employment. The surveyed social enterprises try to employ all disadvantaged jobseekers without any difference. This is also supported by the fact that sometimes it is the first job of the jobseekers and therefore they cannot be differentiated by their previous experience, for example.

The most frequently mentioned plus of disadvantaged persons was their higher motivation to work compared to the rest of the population and their gratefulness in general that the social enterprise allowed them to work. From the point of view of the characteristics of particular groups, peripheral vision and lower shyness of deaf people were mentioned, for example. In the evaluation of the work performance of disadvantaged employees, the financial form of the remuneration or the gradual increase of the work and the responsibility is most often chosen.

A diverged opinion on the cooperation of groups with different types of disadvantages is shown by participating representatives of social enterprises. While part of them perceives the combination of groups as a positive means of enabling mutual enrichment, the second part (mainly enterprises employing people with hearing, mental or psychical disabilities or people in danger of addiction or addictive substances) does not combine different disadvantaged groups. They do not combine them due to lack of experience in working with them, lack of appropriate work for them, or because the disadvantaged people themselves are not gratified by cooperation with other dissimilarly disadvantaged people.

The most frequently mentioned barriers of disadvantaged persons for entering the open labour market, mentioned by representatives of social enterprises, was their lower performance, the specific needs of individual groups, or lower education, for example. However, some barriers come directly from potential employers and partly stem from the fear of unknown, increased demands for the employment of disadvantaged people (e.g. the need for an assistant) or the prejudices that exist in this area (feeling that a disadvantaged

employee cannot be dismissed). Social enterprises are aimed, among other things, at removing obstacles to disadvantaged people in the labour market by providing additional education for disadvantaged persons.

All enterprises are ready to support their employees in the open labour market. They differ in whether or not the employee is actively encouraged in this transition.

According to the representatives' declarations, staff fluctuation is not a problem in the vast majority of the interviewed enterprises. Overall, there are only few employees leaving social enterprises. It is definitely not a major problem, which also corresponds to the overall assessment of employees' fluctuations by social enterprise executives. If employees did leave, it was due to the transition to the regular labour market, wage rates or natural life cycles. Or due to combination of these reasons, of course.

Among the strategies of compensation of lower efficiency of the work of the supported persons, the managers mention above all hiring more employees than in the case of a regular enterprise, investing of a higher amount of finance, careful training of a higher number of new employees (especially in the situation when a social enterprise serves as a stepping stone for the transition to the regular labour market) and intensified control of the work of supported persons. They say, however, that lower performance is considered from the beginning and they find it natural for this area of business.

Generally speaking, it can be summed up from representatives of social enterprises' statements that problematical part that would require compensation or change is associated with a large number of forms and evidence, ambiguity of instructions and guidance for project managers. At the same time they mention the need for greater commitment of the state in the form of promotion of social enterprises and legislative support.

On the other hand, representatives of social entrepreneurs positively evaluate the possibility of obtaining funding from the subsidies of European funds (e.g. the Operational Program Employment), which are crucial especially at the start of a social enterprise, and other contributions to employees or the possibility of further financing such as through foundations, sponsors and so on. It can be said, therefore, that there are some sources of compensation that business leaders use or apply on different levels, but there are also forms of compensation that they would improve or deepen (e.g. differentiation of employment contributions for disadvantaged people, reduce administration and simplifying applications for fuel subsidy, difference in power consumption etc.)

In this context, we found significant differences in the way how the individual business leaders acted – some of them were very active and used a variety of opportunities for their business (purchase allowance, allowance for Czech sign language, contribution for marketing, donation contracts, Konto bariéry, Srdcerváči, grant from the Central Bohemia Region, Impact First, the HitFit crowdfunding portal), while the others did not know where to

look for such opportunities. It would be good in the future to familiarise those less well-informed social entrepreneurs with the possibilities of other sources of finance or to facilitate sharing their experience with each other.