

III► I am going
to be the best
entrepreneur
- Spain



**Social
Business in
PROGRESS**

“ I’m going to be the best ENTREPRENEUR ”

Introduction

‘*Social Business in Progress*’ is a project that belongs to the PROGRESS programme, a financial instrument of the European Commission with the objective of supporting the development and coordination of EU policies.

The main objective of the project is to experiment and measure the effects, in Europe, of remarkable approaches in business (social business, social entrepreneurship and inclusive business) that contribute to the social integration and employability of disadvantaged groups.

This handbook is made up of three independent parts:

- **Part 1: “I am going to be the best entrepreneur”.** Aimed at fostering entrepreneurship among disadvantaged groups.
- **Part 2: How to create a company.** Help for those who want to become entrepreneurs.
- **Part 3: Social innovation and employment in the European Union.** The most important outcome of the project, showing the research and pilot projects accomplished by the partnership and the project conclusions.

This unit forms Part 1.

All parts available at: www.socialbusinessinprogress.org

The project partnership is formed by the following entities:

Lead partner:

- APCC (Associação de Paralisia Cerebral de Coimbra), Portugal



Co-partners:

- LCD (Leonard Cheshire Disability), UK



- Proceśy Inwestycyjne, Poland



- SDC (Saír da Casca - Consultoria em Desenvolvimento Sustentável), Portugal



- IVAS (Instituto Valenciano de Acción Social), Spain



1. How can I use this Handbook?

||▶ This handbook is designed to help people who are thinking about setting up a company.

The handbook contains easy-to-understand information about:

- The concept of social entrepreneurship
- The advantages of entrepreneurship
- How to overcome the barriers of setting up a company
- Entities or companies that might be able to help you
- How to obtain finance for your project

And a few examples of **people like you** who have set up a profitable company.



2. Social entrepreneurship

▶▶ I would like to understand what 'social entrepreneurship' actually means

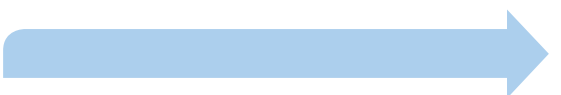
Social entrepreneurs are **people like you**, who, by setting up a company or business, hope to **improve one of the many social or environmental issues** faced by our society.

Social enterprises seek **social benefits over financial profits for the owner of the enterprise, without forgetting their financial autonomy**. These enterprises often have an innovative nature.

Social enterprises are distinguished from other businesses by defending values such as employee participation in decision making, equality, solidarity or employment of people with disabilities.

If you have an idea that you believe could help improve any of our society's issues, and you would like to set up your own company, **social entrepreneurship** could be the answer.

One widely known example of a social enterprise is a **co-operative**. Co-operatives share the **values** mentioned above and they generate benefits both for their employees and society.



II► Is social entrepreneurship the best opportunity to find a job?

In recent years, competition in the job market has become much fiercer. **Hundreds of people apply for the same job.** Some of these people are highly qualified and come with excellent track records.

Setting up your own company or business is an alternative way of accessing the labour market.

Moreover, if your project addresses a **social or environmental issue**, social entrepreneurship could be your best opportunity to find work.

Furthermore, your company could be considered a 'social enterprise' if it promotes the values of social economy, such as **democracy, transparency or employment of people with disabilities.**

Social enterprises seek to serve the community's interest (social, societal, environmental objectives) rather than profit maximisation. They often have an innovative nature, through the goods or services they offer, and through the organisation or production methods they resort to. They often employ society's most fragile members (socially excluded persons). They thus contribute to social cohesion, employment and the reduction of inequalities.

European Commission definition

In any case, if you are determined to set up a social enterprise, you will be contributing to the **creation of a better world**, as well as **making a living out of it.**

II► Advantages of becoming an 'entrepreneur'

- **Self development**
I will learn a lot, I will improve my competencies and I will also discover skills that I did not know I had.
- **Independence**
I will be my own boss and it will be me who makes the important decisions in the company.
- **Flexibility**
I can choose my working hours according to my company's and my family's needs.
- **Competitive salary**
I will get a competitive salary based on my work. If my clients are satisfied, I could earn large sums of money.

- **Satisfaction**
Setting up a company involves risks and a lot of work. However, it also entails a great sense of adventure and excitement.

||▶ I will encounter difficulties, but this guide will help me find solutions to them

Setting up a company is not as difficult as it may sound, but you must take into account the following aspects:

- You must start off with an idea that could potentially be developed into a company or business. Moreover, in order to get future clients to like your idea, it must **stand out against the ideas of competitor enterprises**.
- Not everyone has the **qualifications or experience required** to set up and manage a company.
- Setting up a company involves a **great amount of effort, dedication and motivation**.
- Be aware that you will **require finance**, to a greater or lesser extent. You will also need to know how much finance your company will require, and where and how to get it.
- It is advisable to write up your own **business plan**. A business plan is a document that **analyses and describes in detail whether or not your business is feasible**.

This guide can help you overcome some of these hurdles:

- The core part of the guide is a detailed explanation of the **necessary stages** that need to be followed in order to set up your own company.
- Under the section **How can I finance my project?** you will find the main forms of finance available for social enterprises and a list of organisations in your area that might be able to help.
- Under the section **How and where can I get information?** you will find a list of enterprises and companies in your area that might be able to help.

- Finally, there are a few examples of **people just like you** who have set up a profitable company.

In order to overcome these hurdles, we recommend that you, where possible, seek the help of **enterprises and professional experts, as well as of friends and family**.



3. I have made up my mind, but I need help

II► How can I finance my project?

Finance is a very important factor that needs to be considered at the outset of any project. The amount of funding required will depend on your line of business. Types of financing can be divided into **donations**, **loans** and **investments**.

Some of the most common funding mechanisms for social economy companies are the following:

LOANS

Ethical banking

In addition to the better-known banks, there are also banks that are more inclined to grant loans for projects with a clear social or environmental purpose. Some of the banks our project has come into contact with are:

- Banca Ética Fiare
- Triodos bank
- Caixa Popular

Friends and family

This mechanism is still widely used. Friends and family can not only help with providing emotional support, but may also be able to lend a certain amount of money to start up your entrepreneurial career.

INVESTMENTS

Future clients for your enterprise

It may well be that there is a potential client who understands the benefit that can be brought to society (and to the client) by setting up your enterprise. Once the client is aware of that benefit, he or she may be prepared to invest in your enterprise.



Crowdfunding

The idea behind this phenomenon is gathering together large numbers of people who are willing to help make small contributions (mainly through social networks and websites). These actions are usually related to cultural projects managed by NGOs or similar associations.

Business angels

Business angels are normally entrepreneurs who take other people under their wing, to provide guidance and help them start up their ventures.

Private enterprises

Private enterprises may be willing to cooperate with entrepreneurs, providing they can verify the social or environmental benefits (for society as a whole) that will be achieved through the project.

DONATIONS

Public subsidies

Sometimes, governments have non-recoverable subsidies set aside for entrepreneurs. However, the required forms and documents can sometimes be rather complex. Moreover, it is often the case that these procedures drag on for a long time before the subsidy is actually granted.

The following guidelines may be helpful:

- The legal form of your enterprise may determine the finance required and subsidies you are entitled to.
- The chances of obtaining funding may depend, partially, on your ability to prove your technical skills and/or experience.
- A minimum level of equity may be required.



II► How and where can I get information?

Fortunately, there are numerous companies and resources in the Valencian Region that can help you start up your enterprise or business. Some of these are listed below:

Generalitat Valenciana (Valencian regional government)

Emprendedores.gva is the launch pad established by the Generalitat for people who wish to become entrepreneurs. It contains a lot of useful information about how to start up an enterprise or venture project.
www.emprendedores.gva.es

Socialnest

Socialnest is a pioneering centre in Spain where entrepreneurs, professionals, students and others can find an ecosystem for support, encouragement, training and opportunities to start realising their dreams of a better world through social entrepreneurship.
Tel: +34 658788573
www.socialnest.org

FSC Inserta

The Association for Employment & Training of People with Disabilities, established by ONCE (Spanish National Organisation for the Blind), offers free training and guidance services on self-employment to disabled people. The ONCE Foundation, together with the European Social Fund, also provides financial support to self-employment projects led by disabled entrepreneurs. In the Valencian Region, offices are located in Valencia and Alicante.
Tel: +34 963809999 (Valencia)
www.fsc-inserta.es
Tel: +34 965116118 (Alicante)
www.fundaciononce.es

FEVECTA (Valencian Federation of Co-operative Ventures and Associated Work)

FEVECTA is the representative organisation of the worker co-operative movement in the Valencian Region. This organisation offers a free entrepreneur support service at their offices in Valencia, Castellón, Alicante and Elx, for people who seek advice and guidance regarding a potential business venture with a co-operative formula.
Tel: +34 963521386
www.fevecta.coop

IVAJ (Valencian Institute for Youth)

The EmprenJove programme established by IVAJ.GVA JOVE is a service that provides free advice, as well as training in business management, to young people between the ages of 18 and 35, who would like to set up their own enterprise.
Tel: Valencia: +34 963108665/60
Castellón: +34 964359859
Alicante: +34 966478111/12
www.gvajove.es



One Stop Shop at the Chamber of Commerce

This is a service provided by the Chamber of Commerce where all local, regional and state procedures to set up a company can be carried out in a single venue. The services offered include guidance to entrepreneurs and comprehensive and face-to-face processing of all administrative procedures. The Chamber of Commerce also has a business incubator available to citizens.

Fundación Novafeina

Fundación Novafeina is an advisory service for people who want to set up companies, focusing in particular on the social economy and social enterprises. It provides information on business plans, legal forms, support resources, allowances and subsidies.

In addition to the above, there is also a collaborative workspace (sharing an office, as a joint workspace, with other projects).
Tel: +34 961297340 (Quart de Poblet)
+34 96 514 96 70 (Alicante)
www.novafeina.org

VLC Emprende

Valencia Emprende is a venture developed by the Regional Department for Innovation and Entrepreneurial projects of Valencia City Council, which aims to promote entrepreneurship in the city of Valencia, as well as increase activity and the technological level of Valencian companies.
Tel: +34 962083655 / 962083656 / 962083657
www.valenciaemprende.es

In addition to the above enterprises, IUDESCOOP (the Research Institute on Social Economy, Co-operatives and Entrepreneurship) can also provide support once you have set up your own social economy venture:

IUDESCOOP (Research Institute on Social Economy, Co-operatives and Entrepreneurship)

The Research Institute on Social Economy, Cooperatives and Entrepreneurship (IUDESCOOP) of the University of Valencia offers legal and business advice to entrepreneurs and companies. IUDESCOOP is made up of a team of professionals and experts who give business advice to social economy companies and enterprises.

Tel: +34 963828744
www.uv.es/iudescoop/

IVAS

Do not forget that IVAS, although it is not an organisation specialising in social entrepreneurship, is at your disposal for any help you may need.

Tel: 961971460
gil_josguz@ivas.es
www.ivas.es

4. Look at this! People like me who have created a business



*Gonzalo Fotografía
La Galería*

||▶ **Gonzalo is over 45 years of age and has a physical disability. He lives and works in Benisanó, a town located 20 kilometres outside Valencia.**

After the big computing company for which Gonzalo worked closed down, he started working with a professional photographer. This opportunity helped Gonzalo realise that his passion for photography could also become a way of earning a living.

His entrepreneurial intuition led him to the conclusion that there was a lack of photography services in his area, and, consequently, his business could be profitable if he could secure a small monetary investment.



Tutored by the service provided by FSC Inserta for people with disabilities, Gonzalo decided to set up a small photo studio.



At that point, Gonzalo knew that his future would always be in photography, together with his dreams, daily challenges and his livelihood.

The Mission of the Enterprise

The mission of this enterprise is to communicate to people, enterprises and companies Gonzalo's passion for photography through graphic reportage and articles that fit his needs.

The Business Model

Gonzalo started his work activity focusing on his resources and expertise in photographing social events (weddings, baptisms and communions).

Shortly after, and as a result of a thorough search for partners and business opportunities, he came into contact with the agency Servimedia, and he started doing some photo coverage for the press. At present, Servimedia entrusts Gonzalo's enterprise with any photo coverage that needs to be carried out in the provinces of Castellón and Valencia. Consequently, this work activity covers nearly 25% of his business activity.

Gonzalo opened up another small business unit serving the companies in his area: advertising photographs and catalogues for companies.

Furthermore, the studio has a large room that has been adapted for small painting and photography exhibitions, as well as other activities to promote and encourage artists in the area.

Gonzalo is aware that social action must play a key role in his enterprise. That is why he supports artists with disabilities by providing them with a space to exhibit their work, which contributes to disseminating their work to other people and companies from the community.

Key Actors for a Successful Outcome

Firstly, the participation of professional experts from FSC Inserta was crucial in the development of the business plan, as well as a great support during the first stages of Gonzalo's new venture.

Furthermore, it was also important to have a clear goal establishing the mission of the enterprise and the pathway to be followed from the very beginning. Once a goal has been defined and set, this goal must be pursued as persistently as possible. If you provide an outstanding service and demonstrate a high level of professionalism, in addition to a great amount of effort, hard work, perseverance and excitement, it will be widely acknowledged by clients, family and friends.

In the current climate, budget control is an essential factor that must always be considered.

How the Enterprise was Financed

The photo lab was financed with personal equity, as well as a mortgage loan for the purchase of the studio's registered office.

Additionally, this project received funding from Fundación ONCE (Spanish National Organisation for the Blind) and the European Social Fund.

Advice from Gonzalo

Gonzalo is very clear as to what he would recommend:

“Start your project by getting sound advice from professionals. Once you are on your way, let your passion and dreams guide your actions. Thus, you will get very far...”

“... dreams, dreams, work, dreams, work, work, and personal sacrifice will lead you to success and to feel proud about all the work carried out.”

www.apge.org/deval.html
www.gonzalofotografia.com
Tel. +34 962 781 634 Benisanó
(Valencia) Spain

II► Librería Shalakabula (Bookstore)

Context and Need Identified

Francisco Javier gave up his work in Seville in 2010 to move to Mislata and try to realise his entrepreneurial dream: to set up a small business with his wife.

Mislata is a town located just outside the city of Valencia with over 40,000 inhabitants. Francisco noticed that, in spite of its size, Mislata did not have any bookstores, thus forcing its citizens to travel, on far too many occasions, to Valencia whenever they wanted to purchase a book. The opportunity was so obvious that in just one month the business was up and running.

The Mission of the Enterprise

To offer a cultural meeting point for the town's locals, where book launches can be carried out, as well as exhibitions, activities to encourage reading, and book clubs for children and adults alike.

The Business Model

What is Shalakabula? Shalakabula is more than just a bookstore. It could be said that it is a space where culture and leisure come together to create a location where you can purchase the book you need and enjoy the relaxation you crave.

Shalakabula offers a wide range of free activities every week. You can lose yourself in bookshelves and enjoy finding unexpected titles, or you can ask for guidance from Francis and Nuria, so that you can find exactly what you are looking for.

Francis and Nuria are the only two employees of this enterprise. They are both self-employed.



Challenges & Successes

Shalakabula's key success factor is based on two main pillars:

- The proximity to the neighbourhood and support of local people. There is a close relationship with the customers, which has been achieved by promoting activities that attract them to our business and activities devised to involve the whole family. All the activities carried out are free, so it is easier to get local people involved and to collaborate.
- Social networks. Through the use of new technologies, we manage to bring our books and proposals closer to our social network customers on a daily basis. Social networks are a major tool for communicating with interest groups. At the moment, Shalakabula has 3,551 friends on Facebook.



How the Enterprise was Financed

The project was funded with our own resources and funds from ICO (Spanish Official Credit Institute), in addition to a grant awarded by the Fundación ONCE (Spanish National Organisation for the Blind) and the European Social Fund.

Advice from Francis and Nuria

It is paramount to:

- develop a close relationship with customers, which goes beyond the standard purchase and sale relationship;
- promote the development of joint activities with other businesses in the area. The more customers go into adjacent stores, the more likely they will enter yours;
- be visible on social networks, where potential customers can end up developing a great personal attachment to your business and the products and services offered by it.

Francis and Nuria

www.facebook.com/shalakabula

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For more information see:
<http://ec.europa.eu/progress>

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The seven-year Programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA-EEA and EU candidate and pre-candidate countries.



The Social Business in Progress project partners are:

