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# SOCIAL SEED

INCUBATION METHODOLOGY FOR SOCIALLY EXCLUDED ENTREPRENEURS  
SUPPORTED BY COMPANIES

## VALIDATION OF THE INCUBATION METHODOLOGY



## IO3 > Validation of the incubation methodology

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## 1. INTRODUCTION AND CONTEXT

The overall objective of the Social SEED project is the design and validation of a new social incubator for people at risk of social and economic exclusion. In order to achieve its goals, the strategic partnership is carrying out different phases, also called Intellectual Outputs. Throughout the project, the strategic partnership will design a methodology guide, create and adapt the course contents to the identified needs, validate the developed concepts throughout a pilot incubator and implement a Massive Open Online Course (MOOC) to present the SOCIAL SEED methodology, course and reports.

In this report we will focus mainly on the Intellectual output 3 (Validation of the incubation methodology) that has been coordinated by Asociación Con Valores during winter and spring 2021. This work aims at explaining and evaluating the main steps, methodologies and results that have been developed during those months. It aims at evaluating and demonstrating the interest of implementing an inclusive business incubation model for persons at risk of exclusion with the support from the business community.

With this report we want to share this methodology and to make it available for other organisations in Europe willing to use, to adapt and to improve the model. We believe that inclusive incubation models such as the one developed by Social Seed partnership with the support of the business spheres can provide innovative solutions to social and economic challenges that European Union is currently facing.

This document and experience are also the base for the last Intellectual Output of this project: a MOOC on inclusive business incubation supported by the business sphere.



The product of Intellectual output 3 is therefore, a report of results and conclusions regarding the practical validation of a social incubator with an innovative design, collaborating companies with NGOs. This report will reflect what has been validated in this IO3: a social incubator for entrepreneurs at risk of exclusion supported by companies.

The division of tasks for the creation of the IO3 was a process in which all project partners participated. The profile of each of the participants allowed the possibility that everyone could contribute in each of the intellectual outputs, but at the same time, that each of the partners had a specialization to lead certain specific tasks. These were:

1. Practical validation of incubation methodology - ACV
2. Training and KPIs – F. INICIATIVAS
3. Monitoring and evaluation of the entrepreneurial learning process – SOCIAL LAB/ ISM
4. Monitoring of the psychosocial part - ANZIANI
5. Search for financing for entrepreneurs – BISER

The methodology used in IO3 was, broadly speaking:

1. Identification of micro-entrepreneurship opportunities with the companies.
2. Selection of entrepreneurs with NGOs.
3. Incubation program consisting of: Mentoring, cooperation, training, consulting and validation with the company that identified the idea.
4. Search for financing
5. Follow-up

This methodology will appear in detail throughout this document.

- Context

The Covid crisis that is happening since 2020 is having a strong impact on companies and



employment: although states are trying to give support to the productive sector, many companies and jobs have been destroyed since the beginning of the health crisis. Sectors like tourism or cultural and creative industries are specially affected and important changes are needed in order to keep on being competitive. More and more people are losing their jobs and getting at risk of exclusion and the overall poverty in Europe and in the World is increasing. In that sense, an inclusive business incubation model such as the one we are developing could become part of the answer to the fundamental issues of this crisis: increase of poverty and companies' destruction.

For this reason, we also want this report to be a practical instrument to explain and to convince the different stakeholders that needs to be involved for implementing such models:

- NGOs and social care services working with persons at risk of exclusion;
- private sector willing to support inclusive business initiatives.

The collaboration with the social sector has been fundamental to identify, approach and to select the future entrepreneurs. That collaborated strongly during the preparation phases of the incubation and also during the diffusion of the call for participants.

The engagement of the private sector has also been an important condition to succeed in the implementation of this incubator. In total, more than 110 business professionals answered the project call and brought support during the different moments of the process. They also contribute in bringing concrete solutions to a specific problem: the lack of computers for participants. The business areas intensively answered to the call launch by ACV and managed to provide computers for each participant in a very short time.

Finally, it is important to point out that the health situation had a strong impact on the incubation process. Indeed the health situation did not allow face to face activities and the

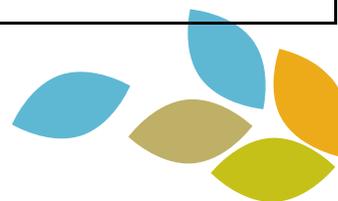


organizers had to adjust their strategy. The social Seed incubator switched from a face-to-face incubation model to online activities and follow ups. This upgrade in the methodology affected the human dimension of this experience and obliged the different staff and volunteers involved to update their intervention to this situation. However, this forced change in the model also offers new opportunities:

- development of new digital competences;
- improvement communication skills;
- organization of and virtual environment for the different incubation steps: training, mentoring, coaching, follow up...
- no limitation related distance and mobilities, both for new entrepreneurs, trainers or mentors;

## 2. SOCIAL SEED INCUBATION CALENDAR

|                      |   |
|----------------------|---|
| <b>November 2020</b> | <ul style="list-style-type: none"> <li>● Informal meetings with NGOs and companies to explain the incubation process;</li> <li>● Recruiting volunteers for incubation coordination;</li> <li>● Identifying business opportunities for persons at risk of exclusion: BANK OF IDEAS</li> </ul>  |
| <b>December 2020</b> |   |
| <b>January 2021</b>  | <ul style="list-style-type: none"> <li>● Adaptation of the incubation process to the COVID situation (100% online)</li> <li>● Call for participants (new entrepreneurs)</li> <li>● Call for professionals (mentors and coaches)</li> <li>● Launching communication campaign at local and national level</li> </ul>                                    |
| <b>February 2021</b> | <ul style="list-style-type: none"> <li>● Online information meeting (03/02/2021)</li> <li>● Selection of the new entrepreneurs</li> <li>● Selections of trainers, mentors and coaches</li> <li>● Training for professionals</li> <li>● Creation of the incubation team</li> <li>● Networking meeting between new entrepreneurs and mentors</li> </ul> |
| <b>March 2021</b>    | <b>SOCIAL SEED INCUBATION</b>   |



|                       |   |
|-----------------------|---|
|                       | <ul style="list-style-type: none"> <li>• Psychosocial follow-up 1</li> <li>• Group building activities</li> <li>• 12 training sessions of 4 hours (every monday)</li> <li>• 36 new entrepreneurs incubated</li> <li>• 24 mentors involved</li> <li>• 12 business models incubated</li> <li>• 13 video interviews of entrepreneurs and mentors realized</li> </ul> |
| <b>April 2021</b>     |   |
| <b>May 2021</b>       |   |
| <b>June 2021</b>      | <b>SOCIAL SEED INCUBATION FOLLOW UP</b>   |
| <b>July 2021</b>      | <ul style="list-style-type: none"> <li>• Evaluation of the incubation process</li> <li>• Monthly follow up of the incubated projects and evaluation of learning opportunities</li> </ul>  |
| <b>August 2021</b>    | <ul style="list-style-type: none"> <li>• Translation of main communication materials</li> <li>• Psychosocial follow-up 2</li> <li>• Search of entrepreneurs funding opportunities</li> </ul>  |
| <b>September 2021</b> | <ul style="list-style-type: none"> <li>• European campaign on main results;</li> <li>• Reporting.</li> </ul>  |
| <b>October 2021</b>   |   |

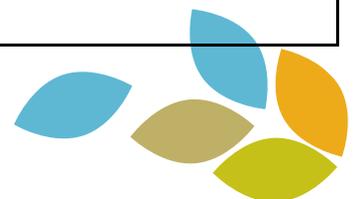
### 3. MAIN FEATURES

|                                     |   |
|-------------------------------------|---|
| <b>112 entrepreneurs registered</b> | 112 persons at risk of exclusion answered the call for participants launched in february 2021. This high number of registration is mainly due to a massive diffusion campaign diffused with the support of several NGOs involved within the social inclusion field. |
|-------------------------------------|---|

|                                  |   |
|----------------------------------|---|
| <b>36 selected entrepreneurs</b> | After 112 interviews realized by volunteers of ACV, 36 persons have been selected to be part of the incubation process. Those new entrepreneurs are then organized by teams taking into account their profiles, experiences and business ideas. |
|----------------------------------|---|



|   |   |
|---|---|
| <b>More than 110 professionals involved</b>                                   | Social Seed also launched a call for business professionals to recruit volunteers that will support the incubator as trainers, mentors or coaches... but also on other organizational tasks: coordination, communication, bank of ideas....   |
| <b>12 weeks of incubation / 420 hours of training, mentoring and coaching</b> | Social Seed incubator offers to its participants the opportunity to participate in a 12 weeks incubation programme, representing a total of 420 hours between training, mentoring, coaching and other personal tasks realized by participants in order to design their business models. |
| <b>12 incubated projects</b>  | At the end of the incubation programme, Social Seed incubator supported the definition and the launching of 12 business models developed by persons at risk of exclusion with the support of business professionals.  |
| <b>Follow up and evaluation of learning opportunities</b>                     | Evaluation of the practical validation of the business models through different questionnaires fulfilled monthly.   |
| <b>Psychosocial follow-up</b>   | Carried out through monthly questionnaires  |



|  |                                       |
|--|---------------------------------------|
|  | answered by entrepreneurs and mentors |
|--|---------------------------------------|

|   |   |
|---|---|
| <b>Search for funding opportunities</b> | Funding options that can be used by entrepreneurs once their business model has been finalized and validated. |
|---|---|

## 4. BANK OF BUSINESS OPPORTUNITIES

Previous studies on our target group revealed that the persons at risk of exclusion often decide to become entrepreneurs as a need rather than a wish. For this reason, it happens that they start their business journey without a clear and adapted idea to work on.

Before launching the incubation process a group of volunteers created a small working group in order to identify potential business opportunities that could be undertaken by persons at risk of exclusion.

Those business opportunities are identified according to 3 main criterias:

- they should not require investment;
- they should not require an high level of specialisation / studies
- they should be quickly implementable by persons at risk of exclusion.

During november and december, 2020, 7 business professionals worked on the creation of this bank of ideas following those steps:



|        |                      |   |
|--------|----------------------|---|
| Step 1 | <b>“Happy ideas”</b> | Business professionals are proposing ideas of their respective fields , without taking into account its viability. They are setting up a list of 33 possible business projects, sharing their ideas and providing better definitions if needed.   |
| Step 2 | <b>Analysis</b>      | The business professionals are analysing those ideas taking into account the 3 main criterias previously mentioned: no investment needed, low level of specialisation and expertise and high replicability potential. They are then reformulating or rejecting those ideas.   |
| Step 3 | <b>Validation</b>    | The business professionals are then “going to the street” to validate their hypothesis. For each idea they will visit at least 10 other professionals of the field and evaluate with them the viability of the potential business ideas.  |
| Step 4 | <b>Definition</b>    | Once the ideas have been validated by the business community each idea is clearly defined in order to integrate the bank of ideas. This bank of ideas will be available for new entrepreneurs when they get into the incubation programme. Then they can choose either to undertake their own idea or to choose one of the bank of ideas, |

By the end of this process, the ideas that has been identified and presented to new entrepreneurs are:

→ **Digital Marketing agency for small retail:** low fees to manage the social media and



the website of small shops....

- **Data mechanization:** there is a lot of information that companies have on paper and that must be digitized. The entrepreneurs could then offer his service to realize this task
  
- **Warehouse operator per hour:** companies sometimes have unloading peaks in their warehouses in which they require hourly staff. Temporary work agencies do not end up being solutions as they require more time to be sent to workers. Entrepreneurs could then fill that gap by offering his service paid by hours.
  
- **Online store:** for product manufacturers and artisans to create an online store in amazon
  
- **Home care for dependent people** in peripheral and rural areas

## 5. CALL FOR PARTICIPATION AND INFORMATION ON INCUBATION PROCESS

The call for participants has been launched on January the 21<sup>st</sup> until February the 7<sup>th</sup>:

The call got an important diffusion thanks to the collaboration with local NGOs working in the field of social inclusion. In total 113 persons willing to participate in the incubation process answered the call.

During the following week 15 volunteers conducted 78 personal interviews in order to evaluate the profiles of potential new entrepreneurs.



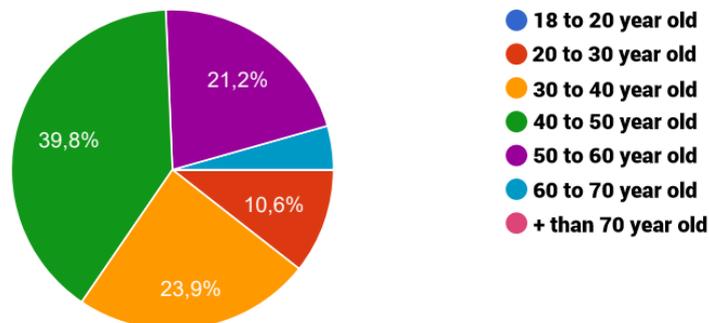
### Analysis of the candidates profiles:

The questionnaire was answered by 113 people.

1. The first question was about participant's age:

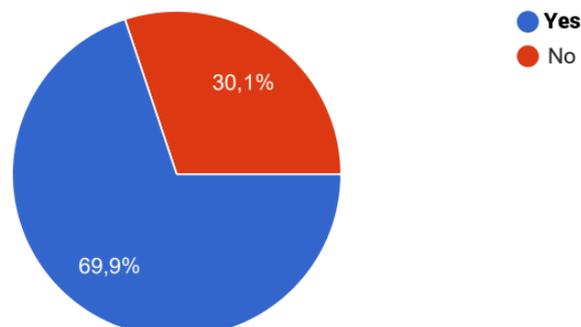
#### AGE

113 answers

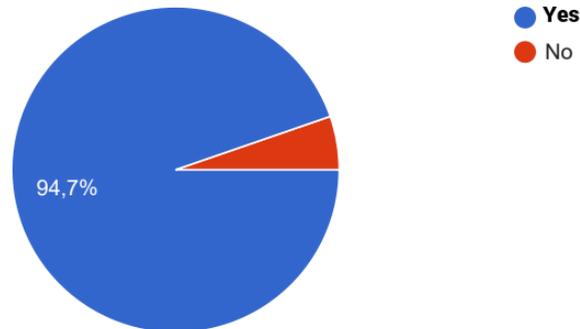


2. 60,9% of the candidates have **their own business idea** that they want to develop within the incubator. However 94,% are ready to undertake a business idea that have been defined by other persons

#### Do you have an entrepreneurial project in mind? It is not necessary to enter the incubator, if you do not have an idea, we will give you one

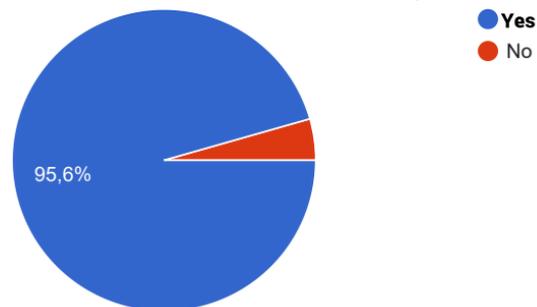


**Would you be willing to undertake an idea that is not yours?  
An idea that we would offer from our bank of ideas?**



3. 95,6% of the candidates are ready to realize their **entrepreneurship within a team**

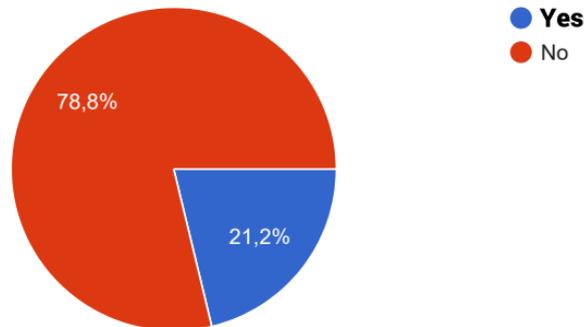
**Would you be willing to team up with other  
entrepreneurs that we introduce to you?**



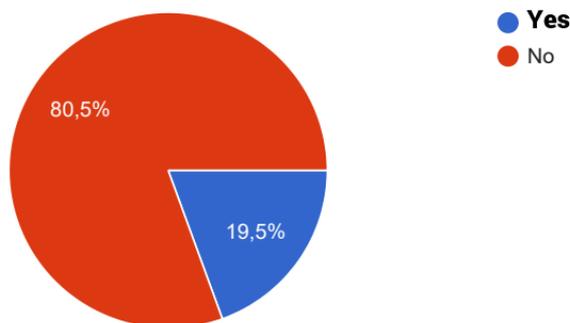
4. **Professional situations:** 78,8% of the candidates are not working for a company and only 19,5% are self-employed.



### Are you currently working for a company?



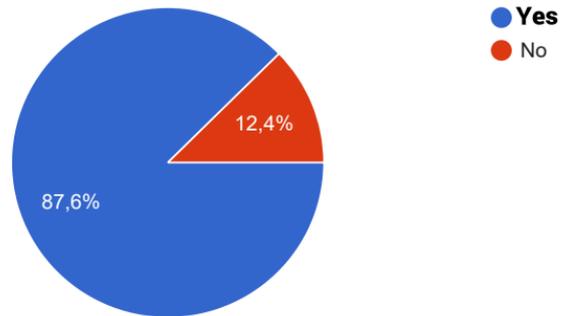
### Are you currently self-employed?



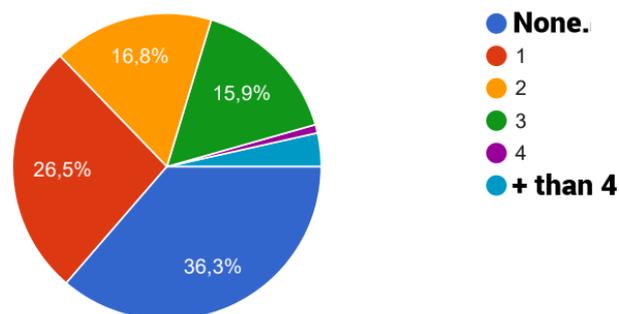
5. **Personal situations:** 87,6% of the candidates declared to be in a complicated situation and 63,7% of them have other persons depending on them.



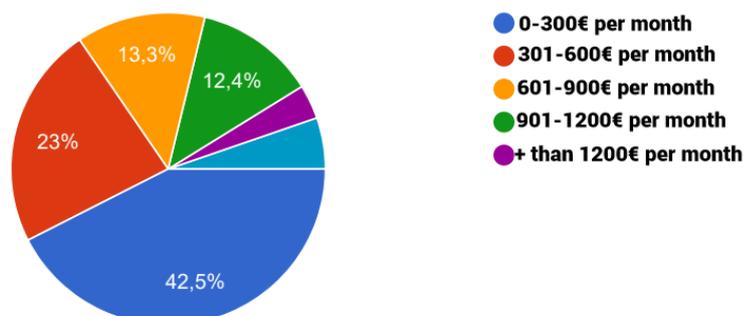
### Would you say that you are in a complicated economic situation?



### Do you have people who depend on you financially?

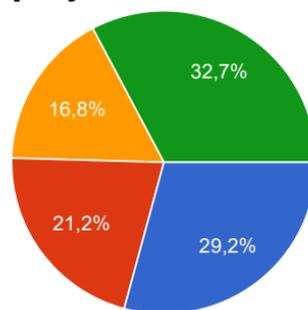


### What is your approximate monthly income level?



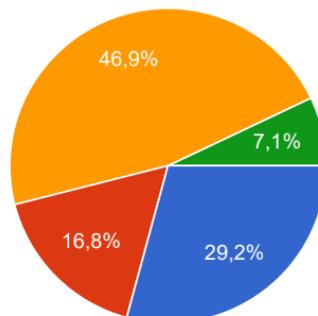
6. **Experiences and motivations:** 61,9% do not have or have a limited experience with entrepreneurship. 63,7% are ready to spend 15 hours per week or more to participate in the incubation process

**Have you received any training on how to run a company?**



- No, but I have practical experience
- I have received theoretical training but not practical
- I have received theoretical training and I have experience
- I do not have experience or have received training but I believe the business activity itself will teach me

**How many hours can you dedicate to the incubation programme during the 10 weeks it lasts?**



- 12 hours per week
- 15 hours per week
- + than 15 hours
- 8 hours per week

## 6. VOLUNTEERS, TRAINERS, MENTORS AND COACHES

### VOLUNTEERS



Organizers also launched a large campaign to recruit professionals of the business sector to become volunteers in the incubation programme. The main task carried out by those volunteers were:

- A four-hour weekly training course to provide skills and competences needed to become an entrepreneur;
- Mentoring, once a week in order to assess the progress of the participants with their business plans;
- Coaching: support to participants on their personal development;
- Bank of ideas: identification of business opportunities for participants;
- Communication and marketing: visibility and diffusion of the different project actions and results;
- Coordination of the different project steps and activities,
- Fundraising to sustain the incubation programme after Erasmus+ project ends.

## TRAINERS

The trainers aimed to establish a basic knowledge baseline for the entrepreneurs with common and essential aspects for entrepreneurship. They gave common classes attended by all the entrepreneurs in the programme. Classes were held two hours a week for 12 weeks and related business general knowledge such as: business strategy, finance, marketing, among others. In fact, the entrepreneurs were taught by professionals from the business world who were specialists in each of these modules.

## MENTORS

Mentors are those who gave entrepreneurs personalized and specialized classes in each entrepreneurship topic. The entrepreneurs were divided into groups of three people depending on the business topics, i.e., whether they belong to the hotel and catering sector,



sale of handmade products, digital marketing services, etc. Each group had two mentors. In this section they learnt how to develop entrepreneurship based on agile methodologies.

Mentoring consisted of 2-hour weekly sessions and lasted for 10 weeks.

## **COACHES**

The coach works on a personal and individual level with each entrepreneur, working on the person's emotions and preparing them for the world of work, increasing their capacity for work resilience. They come from the NGO world and are specialized in coaching for people at risk of exclusion.

This block is carried out one hour a week for 10 weeks.

## **RECRUITMENT**

The recruitment and participation of all professionals follows different steps:

- Launching a call for volunteers;
- Having bilateral meetings with each candidate in order to define his role within the Incubator;
- Online training session for mentors and trainers
- Networking events between volunteers and new entrepreneurs
- Follow-up meetings



## 7. TRAINING SESSIONS



Picture 1. Training sessions

| ONLINE TRAINING  |   |   |
|------------------|---|---|
| <b>Session 1</b> | Incubation Program                          | Explanation of the operation and the steps to be followed during the incubator. Weekly structure of the hours of dedication and introduction to the work methodology developed (Lean Startup)   |
|                  | Agile methodologies                         | Expansion of the basic concepts of the methodology applied in the Incubator. Operation and basic concepts and how it will be applied throughout the duration of the program   |
|                  | Model Business Canvas                       | Introduction to the Canvas as a model for analysis and planning of business ideas. Explanation of the structure of the model and the order to follow to work it correctly.  |
| <b>Session 2</b> | Market analysis – how to find opportunities | How to carry out a market study. Importance of conducting an in-depth market study to know the state of the market, analysis of the types of competition that exist and learning how to detect them for each business idea. Design of the marketing plan focused on each business idea detailing actions to be taken. |



|                  |   |   |
|------------------|---|---|
| <b>Session 3</b> | Cold door for hypothesis validation and sales     | Design and rehearsal of an effective sales presentation. Importance of a good sales plan in business development, tools to carry it out and key concepts for a good design and implementation.  |
| <b>Session 4</b> | Hypothesis validation and business model redesign | Expansion of the "value proposition" and "customer segment" concepts within the Model Business Canvas and tools to define hypotheses to be validated to know if our idea is viable and meets the detected needs of our customer segment.  |
|                  | Marketing plan                                    | Expansion of the details and basic knowledge to design and establish a marketing plan. In-depth analysis of the necessary parts to be developed in order to define an adequate marketing plan according to the characteristics of each project.   |
| <b>Session 5</b> | Digital Marketing                                 | Expansion of the characteristics of digital marketing. Tools and possibilities applied from a digital point of view. Depending on the characteristics of the project, it will be convenient to adopt digital tools within the marketing plan.   |
| <b>Session 6</b> | Commercial Plan                                   | In-depth development of the commercial plan. Clear definition of the message to be transmitted and actions necessary to make the product/service known. Design of the necessary commercial strategy to disseminate and sell the business idea. Practical strategies focused on the sale and design of an agile and effective commercial plan. |
| <b>Session 7</b> | Communication plan (digital brand)                | Personal brand development, methods to generate content on the web and social networks (storytelling) application of copywriting to connect with your audience through emotional texts and stories that reach and impact the potential customer and how to design and plan all this related to the marketing and communication plan.          |
|                  | Communication plan (storytelling)                 | Personal brand development, methods to generate content on the web and social networks (storytelling) application of copywriting to connect with your audience through emotional texts and stories that reach and impact the potential customer and how to  |
|                  | Contents (copywriting)                            |   |
|                  | Communication workshop: Facebook,                 |   |



|                   |  |   |
|-------------------|--|---|
|                   | Instagram, LinkedIn                                      | design and plan all this related to the marketing and communication plan.   |
| <b>Session 8</b>  | Human Development, Conflict Management and Self-esteem   | Emotion management and conflict resolution. Tools to face processes of change and overcoming such as those faced in entrepreneurship.   |
|                   | Digital tools for SMEs (web, whatsapp, etc)              | Practical workshop on social media management and content generation. Possible tools to design content and create a brand image in line with our project and our values and that is reflected in social networks.   |
| <b>Session 9</b>  | Creation of audiovisual content                          | Practical workshop to generate audiovisual content that will be part of our content both on the web and social networks and that are part of our brand image. How to prepare the recording of a video, how to prepare a commercial presentation...  |
| <b>Session 10</b> | Commercial presentations                                 | Preparation of written presentations. Guide and table of contents to present the project in writing to be sent by e-mail or by any other means that needs written support.  |
|                   | Elevator pitch   | How to prepare the Elevator Pitch so that it is effective and clearly transmits who you are, what you do (what your project is) and what you need, i.e., focus on whether you want to sell the product/service telling the benefits it brings or if you are looking for partnerships, suppliers or investors. |
| <b>Session 11</b> | Creation of social value                                 | Social approach to business. Possibilities and options to give a social focus to our projects, creating socially responsible companies that add value to the society in which they are developed.   |
|                   | Graphic design   | Digital tools to create the logo and images that will accompany the project.  |
| <b>Session 12</b> | Finance (accounting, financial plan and funding sources) | Basic financial concepts to design the project's financial plan. The importance of good financial planning when starting a new business. This will allow us to record and review the progress of the costs and benefits of the project as it progresses.  |
|                   | Legal aspects in the creation of companies               | Basic legal concepts to start a business. Tax obligations for any economic activity. How to start and what to take into account when declaring income from our activity.  |



|                   |                           |   |
|-------------------|---------------------------|---|
| <b>Session 13</b> | Final review              | General review of all the concepts seen throughout the program and planning of the next steps to follow to continue developing the project. |
|                   | Planning following months |   |
|                   | Final group dynamics      |   |

Table 1. Training design

## 8. MENTORING AND COACHING

### MENTORING

Mentors are pre-selected through the volunteer companies in the incubation programme. For this purpose, questionnaires are carried out in order to know the profile of our candidates. The questionnaires include questions related to their speciality in the business world, fields of knowledge that they can transfer to entrepreneurs, skills needed for entrepreneurship, whether they have previous experience in mentoring, what motivates them to participate in the programme, among others.

After all the forms have been reviewed, they are compared with all the information on the people who will participate in the incubation programme and those whose profiles best fit the programme to be carried out are selected, in accordance with the process described in section 6.

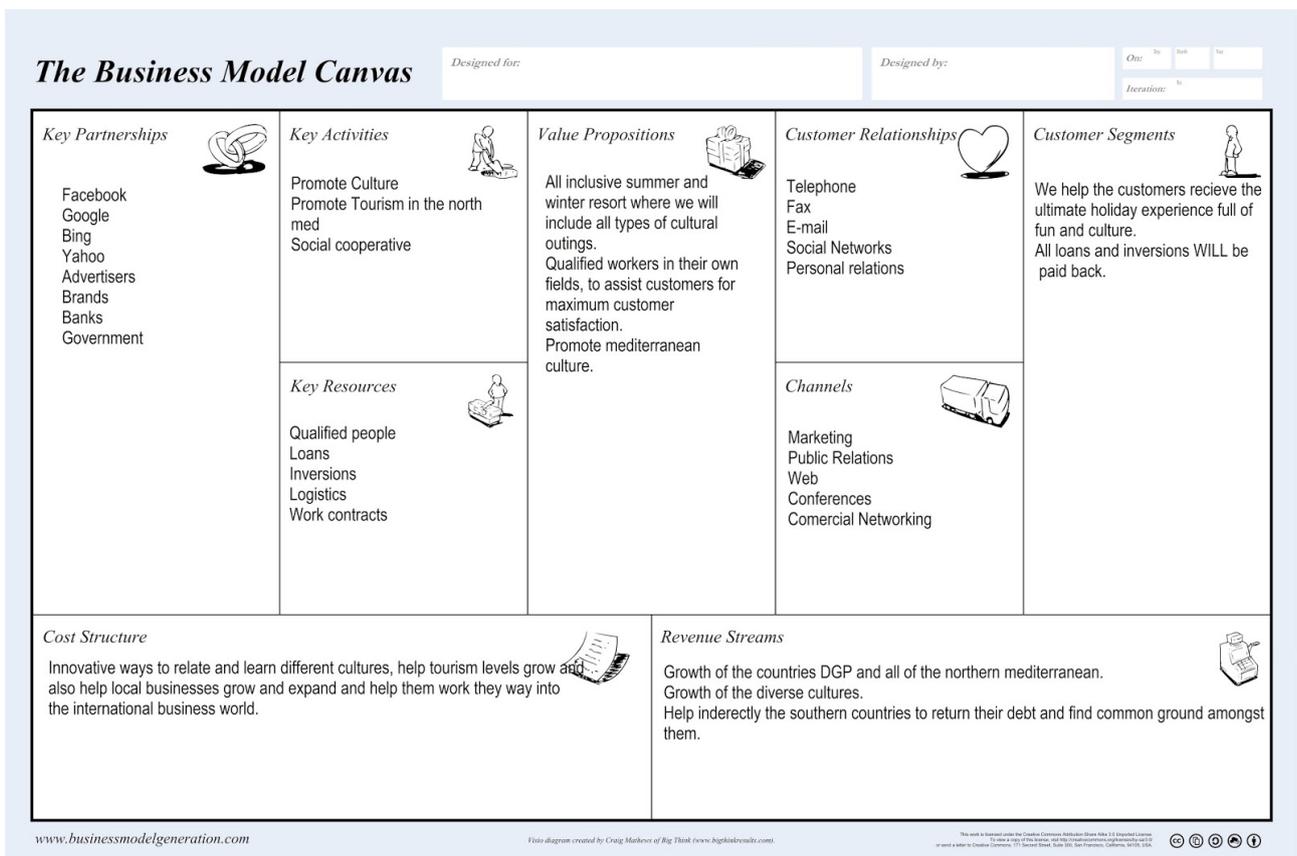
The mentors will mentor the entrepreneurs for two hours during 10 weeks, and there will be 2 mentors for every 3 entrepreneurs.

They will focus on teaching the entrepreneurs everything they need to know in order to undertake their particular business model, and to do this they will evaluate every week which business model is best for each of them and test it to check its validity.

### Tools, materials and processes used in mentoring:



Mentoring always follows agile methodologies that run concurrently with training and where the business model canvas is worked on (see image below). This model is explained from the first day and is used during the rest of the mentoring.



Picture 2. Business model canvas

In the following sessions, the mentor accompanies the entrepreneurs in the work of each of the parts that make up the business model canvas, with the aim of designing the business model that will be developed with the completion of the canvas template. In short, the idea is to capture in this template how the entrepreneur is going to carry out his business idea.

Regarding the different parts that make up the business model canvas, the one that is worked on the most, since it involves greater difficulty and time investment, is the value proposition and the customer segment. Normally the last part to be worked on is the



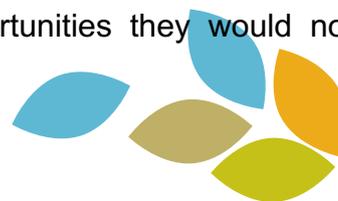
expenses and revenues.

During the duration of the mentoring, the validation process of the idea is defined, since depending on the customer segment, the entrepreneur and the client will validate the idea in one way or another. For example, some entrepreneurs will validate their idea by physically going to a company, others by sending emails with questionnaires, etc.

For all this process, the mentor applies digital tools such as Google Forms if the entrepreneur needs to validate through questionnaires, or even some more advanced ones such as Discord, depending on the knowledge of the particular entrepreneur.

Some points to highlight from what has been observed during mentoring could be the following:

- There are some entrepreneurs who have only managed to define the customer segment and have not been able to validate their idea with the customers because it has not worked. Therefore, it has been necessary to review the value proposition.
- Not all entrepreneurs get to the final step of working out revenues and expenses.
- The successful completion of the business model canvas and the successful validation of the idea depends on the degree of maturity of the initial idea with which the entrepreneur starts working. Normally, the greater the maturity of this idea, the greater the probability of completing the canvas.
- Since the mentor specializes in the sector of the project being mentored, it has been observed that mentors share their network of contacts with entrepreneurs, which facilitates their entrepreneurial activity or provides them with new opportunities they would not



otherwise have counted on.

- The mentor has ever hired any of the entrepreneurs if he/she considered that their product or service was of interest and quality.

- Some entrepreneurs remain in contact with the mentor after the end of the program, so the mentor may continue to guide or advise the entrepreneur regarding his or her venture.

## COACHING

Coaching takes place for one hour a week during the 10 weeks of the incubation programme and helps entrepreneurs to increase their resilience to the possible "NO" that they will encounter in the world of work when faced with their entrepreneurial businesses. It is a very important part of the Incubation programme in which the entrepreneur works on a personal level to find the strength and motivation to keep going, even if at the beginning entrepreneurship is a difficult task.

The coaches are selected through questionnaires sent to the collaborating NGOs. These questionnaires assess their experience, their field of expertise, their knowledge of entrepreneurship, their motivation to work in the incubation programme, among others. They will then be evaluated according to the needs of the programme and the entrepreneurs and then selected by the organization following the steps described in section 6.

## 9. INCUBATED PROJECTS AND OTHER RESULTS



|                     |  |
|---------------------|--|
| Business model<br>1 | <b>Healthy food and products</b>   |
| Description         | Elaboration of healthy food menus for sale to individuals and companies. Focused on people who do not have time to cook and are willing to take care of their diet. Different offers, vegetarian, vegan, diets, etc. The target customers were people who eat at home or at work but do not have time or knowledge to prepare a varied diet. |
| Comments            | 2 entrepreneurs started and one finished. Ana has fully developed her project, validating it with the people from the CODIFIVA association. One of the mentors was Adolfo, president of CODIFIVA association, precisely for that, to have a group of people with whom to test the menus, the service and the price.                          |

|                     |  |
|---------------------|--|
| Business model<br>2 | <b>Coworking on therapies</b>  |
| Description         | Coworking space for profiles dedicated to holistic therapies, while developing their projects relating to different profiles with which to create synergies, offer services / workshops / meetings in the same space. Common space where worktables were rented to people with entrepreneurial projects related to personal care, spiritual, etc.  |
| Comments            | 3 entrepreneurs started and 2 finished. They were going to start a joint co-working of therapies, but when analysing the complication of the joint project, each one finally started individually with their services. one with massages and the other with therapies for children with difficulties (mental, learning, etc.). The business model and marketing plan have been fully developed and the first income generated. |



|                     |   |
|---------------------|---|
| Business model<br>3 | <b>Sustainable ecovillages</b>  |
| Description         | Analysis of sparsely populated rural areas to offer housing to people at risk of exclusion who have no possibility of accessing to a dignified house in the city. In this way, it is possible to repopulate the emptiest rural areas offering a new opportunity for both the municipalities and people to create a new life. These houses would be sustainable and ecological optimizing the natural resources of the area and creating much more economical housing to maintain.   |
| Comments            | A solo entrepreneur. It was a research project, in which the objective was to analyze whether it was feasible to define a model of return to villages of people at risk of exclusion. After 3 months we obtain a lot of information about the difficulties that exist: lack of housing (there are no houses for rent or available and those that exist are at an unaffordable price), lack of work (in this sense, ideas that create employment can be generated but if we do not solve the lack of housing, it is difficult to go to this phase). Some 15 towns and rural entities involved in these issues have been contacted. |

|                     |   |
|---------------------|---|
| Business model<br>4 | <b>Online stores (Amazon Handmade)</b>  |
| Description         | Development of several artisan business ideas. Crafts made by different entrepreneurs who together manage to create synergies and contribute to ideas and whose ultimate goal is to offer their products on Amazon Handmade, Amazon's division focused on the sale of handmade products. In the team they learn and share the necessary criteria to be able to sell on the well-known platform. |
| Comments            | 6 entrepreneurs started and 3 finished. Those that did not continue because they found a job. The three who finished, two already had their own product (baby products and sustainable jewelry) and another created it (decoration products). Finally the three created their store and uploaded all their products. First online sales are generated.  |



|                     |  |
|---------------------|--|
| Business model<br>5 | <b>Orange cooperative for migrants</b>   |
| Description         | Development of a company for the collection and distribution of oranges with the objective of creating jobs for young migrants who are unemployed. This allows to distribute the production of oranges that in Valencia and for economic reasons would not be sold. At the same time provide a job and income to young people who would not be eligible for other jobs in Spain. |
| Comments            | Cooperative that works with migrants. We seek to incubate 3 entrepreneurs who are your sales team to join the cooperative. We create a business plan and train them on how to market the products that they already have. Finally 2 of the 3 end up integrating.   |

|                     |   |
|---------------------|---|
| Business model<br>6 | <b>Commercial / digital marketing agency for small retails</b>  |
| Description         | Project that offers different services to companies such as design and implementation of marketing campaigns, web design and maintenance, virtual assistance so that companies that need to outsource these services can have them centralized in the same company. |
| Comments            | 4 entrepreneurs started and only 3 women entrepreneurs finished the journey. A common agency were set up and each one of them provides a different service (web design, virtual assistant, etc.).   |



|  |   |
|--|---|
|  | Training and mentoring was provided but the service cannot be validated with potential clients and therefore generate a clear business plan that serves to generate income. |
|--|---|

|                     |  |
|---------------------|--|
| Business model<br>7 | <b>Real estate for migrants “Hongares”</b>   |
| Description         | Real estate designed to help migrants find their new home. Contact migrants with owners of rental apartments to manage the rental process, solving the problem of people arriving in a new country they do not know and with limited resources to find a rental apartment.   |
| Comments            | It is a project that comes from a previous incubation experiment and once the business model has been created and validated, this edition aims to build a model for the entry of new people into the project. We incubated 3 people and created that entry model, with phases and objectives in each phase. Once they are meeting objectives, they can move up the phase. of the 3 only one is finally integrated. The success of the project lies on being able to specify this integration procedure so that it can be replicated in the future. |

|                     |   |
|---------------------|---|
| Business model<br>8 | <b>Online second-hand shop</b>  |
| Description         | Sale of second-hand products and clothing. They managed second-hand products with potential buyers through platforms designed for that purpose. They were in charge of the sale and shipping process.   |
| Comments            | Started and finished three entrepreneurs who have made an incredible pineapple. At first the idea was to sell second-hand objects that people did not want but did not have time to put on the second-hand sales platforms. and suddenly during the mentoring |



|  |   |
|--|---|
|  | <p>the project goes the other way and they believe they stay with love, that in reality what they do is sell the objects telling the story they had. It surely has less economic potential but it has generated a project that has fallen in love at three o'clock.</p> |
|--|---|

|                     |   |
|---------------------|---|
| Business model<br>9 | <b>Services and private classes at home</b>   |
| Description         | Private tutoring service for children and teenagers who need reinforcement in school, high school and university subjects. Project formed by teachers specialized in different subjects who offer classes at home.  |
| Comments            | The two entrepreneurs have been given the keys to be able to generate clients with their projects, one of private classes and the other of holistic coaching. Simple but effective marketing plans have been generated to, for example, get students to give review classes. new customers have been acquired before finishing. |

|                      |  |
|----------------------|--|
| Business model<br>10 | <b>Mask online store (individi.es)</b>   |
| Description          | Online store of handmade masks made in Spain. Manufacture, sale and distribution of masks made in Spain in compliance with health requirements.  |
| Comments             | Online mask store that was donated by one of the project's mentors. I set up the web last year to teach your daughter how to set up a business project from scratch. once it was donated, it was taken up by mother and daughter, the mother was in charge of the physical sale and the daughter, younger and digital, of managing the web |



|                      |  |
|----------------------|--|
| Business model<br>11 | <b>Home care for dependent people</b>  |
| Description          | Digital platform that connects dependent people who need specific care with caregivers. The platform is in charge of assigning the specific caregiver for each person, as well as the labor and tax arrangements for the worker. In this way, this figure is legalized and professionalized. |
| Comments             | The entrepreneurs cannot generate clients, we guide them, define potential clients and how to approach them, but due to different health difficulties (an operation) one of the entrepreneurs cannot advance in the validation process. we can't get them to start                           |

|                      |  |
|----------------------|--|
| Business model<br>12 | <b>NGO Anti-AIDS Committee: improvement of financial conditions</b>  |
| Description          | NGO focused on providing support to people with AIDS enters the incubator with the intention of reaching a greater share of partners and collaborators. Through the incubation process, new commercial and advertising actions are achieved in order to increase the number and loyalty of members and collaborators.  |
| Comments             | We help the NGO to create new strategies to generate partners. The two mentors have no experience in the associative world, but that was precisely the exercise, working on the goal with a fresh mentality that would contribute ideas from the business world to the associative world. Finally it ends up generating deliverables for the companies and a roadmap to get more partners. |



## 10. COMMUNICATION AND DISSEMINATION

For the Communication and Dissemination of the programme, different activities were carried out in order to make visible the people at risk of exclusion who were developing their entrepreneurial business models.

Several events were held at the beginning and end of the Social Seed incubation programme. The first of these events was carried out at the beginning of the programme and consisted of the presentation of the incubation programme, the profiles of the entrepreneurs that we were going to incubate and the professionals from each area of specialisation in the business world who would participate. The last event took place at the end of the programme and provided an overview of it, how it had developed and evolved during its implementation, which professionals had participated, the profile of the entrepreneurs and the business models they had undertaken, the results of the programme and the sense of community which had been created.

Each of these events was a magnificent meeting point between the social and business world. It attracted the interest of both worlds and was an opportunity for them to come together.

For the dissemination of these activities, planning was carried out on the main social media (LinkedIn, YouTube, Instagram and Facebook) and through newsletters in which the activities of all the participants in the programme were communicated, i.e. entrepreneurs, mentors, coaches, trainers and other volunteers. Previously, a mapping of people of interest in the incubation programme was carried out, both from the business and social world, so that we could follow each other and give each other feedback on the publications. All of this served as a loudspeaker to communicate the importance of our activities and the social and emotional repercussions they have on all the people who participated in the programme. This communication strategy had been organized following different steps:

- **Calls for volunteers:** communication oriented to NGOs, companies and professionals from the business sector in order to get them involved in the project (as trainers, mentors, coaches or supporting overall coordination and communication activities);



- **Call for participants:** communication aiming to reach persons at risk of exclusion to inform them about the opportunity;
- **Information events:** communication to inform about online events organized to explain the incubation process;
- **Networking events** (between new entrepreneurs and volunteers): communication about internal activities organized to foster networking between the different persons involved within this process;
- **Call for support** (computer campaign): specific call that have been launched to find free computers for participants due to COVID 19 situation;
- **Videos presenting the incubation process:** overall communication showing up the incubation process and its different steps;
- **Interviews of new entrepreneurs:** presentation of new entrepreneurs and their paths in the incubation process;
- **Interviews of volunteers (trainers, mentors, coaches...):** presentation of volunteers and theirs experiences as trainer or mentor;
- **Presentation of the results at local and European levels;** communication showing up the main project achievement

To sum up, the posts on the networks were mainly videos of the entrepreneurs talking about their experience in the incubation programme, their interests, their business model, the results they are achieving, group activities undertaken, etc. Also, videos of the mentors, teachers and volunteers to find out about their work and impact. Other posts of interest were the publications of information on entrepreneurship, dissemination of activities related to the Incubator of the collaborating entities of the programme, the social situation that exists in the world, the importance of achieving the set Sustainable Development Goals and other content that may be of interest related to the incubation programme.

Some examples of social media posts are:




**Asociación Con Valores**  
 21 de enero de 2021 · 🌐 · 🌐

👤 👤 ¿No tienes trabajo y te planteas #emprender? 🤖🤖

El proyecto SOCIAL SEED surgió con el propósito. La Incubadora con Valores surgió con el propósito de ayudar a #personas en situación complicada a crearse su propio empleo 🏠👤.

Y como emprender no es fácil tenemos a + de 1000 #profesionales que de manera desinteresada y durante 6 meses te acompañarán en la #formación, #mentorización y #coaching gratuitos que recibirás 🙌

👉 ¿Te lo vas a perder?

Apúntate aquí: <https://docs.google.com/.../1hUdO8Ej5nE6.../viewform...>  
[www.cvalores.org](http://www.cvalores.org)

✨ Un proyecto financiado por Erasmus+ Social Seed

#innovaciónsocial #emprendimientosocial #incubadorasocial #incubadorainclusiva  
 #inclusiónsocial #socialseed #proyectosocialseed  
 #socialseedproject



Picture 3. Dissemination

## 11. PSYCHOSOCIAL FOLLOW-UP

### INTRODUCTION

Over the previous phases of the Social Seed project, the pilot version of the manual has been created, including the Social Seed methodology of entrepreneurship support for groups of people at risk of exclusion.



In order to validate the methodology, the Social Seed incubator was set up in Spain. Involving entrepreneurs in individual and collective sessions. During the 13<sup>th</sup> weeks of incubation path, a psychosocial factors follow-up of participants was carried out through administration of a questionnaire (see Annex 1) developed within the project.

The aim of this follow-up activity is to monitor the psychosocial progress of the incubated entrepreneurs, by submitting the questionnaire in two evaluation moments, the first time at the beginning and the second time at the end of the Social Seed incubation process. This allows to detect the impact that the entrepreneurship support experience had on the participants and to provide advices and practical suggestions for the replication of the Social Seed incubation methodology.

## METHODOLOGY

The construction of the questionnaire (See Annex 1) was based on relevant issues which are important to be taken into consideration when working with people at risk of exclusion. Therefore, it monitors significant psychosocial factors such as self-efficacy, self-esteem, decision making, motivation, and changes. Moreover, the questionnaire is closely related to the topics that have been covered during the coaching sessions, which took place in parallel with the training and which had the aim of supporting and helping participants to better face challenges and possible frustrations or conflicts that might happen during the incubation process.

Based on the analysis of scientific articles and validated questionnaires on the topic, as well as on the indicators detected in the previous activities of the project, 17 specific items have been included in the questionnaire. The entrepreneurs provided their answers and opinions to items using a 10-point Likert scale format ranging from “strongly disagree” to “strongly agree”, in order to make available quantitative data about their psychological factors related to the incubation path.

Among the 17 items used to construct the questionnaire, statements in both positive and negative directions are proposed. Indeed, reverse-scored items are questions that have an opposite and negative formulation with respect to the others contained in the test that have a positive formulation. Reverse items are very important because they allow to have a more complete vision of the phenomenon that is being investigated and to detect the attention with which the questionnaire has been filled in. These items must be seen in a negative way because they investigate a "non-behaviour" and require a greater cognitive load from the respondent. It can happen that the respondents along the questionnaire always give the same answer, which can appear positive because it is equivalent to a high Likert Scale score, but is instead to be considered opposite in the case of reverse-scored items. Failure on the part of the respondent to analyse the individual item can therefore result in answers that are almost always the same, which in the case of negative items will reveal inconsistencies and anomalies with respect to the general answers. This type of pattern could therefore indicate a lack of attention or motivation of the participant or a misunderstanding of the question. However, it is significant because it leads to reflection on the formulation of the questionnaire and the involvement of the participants.

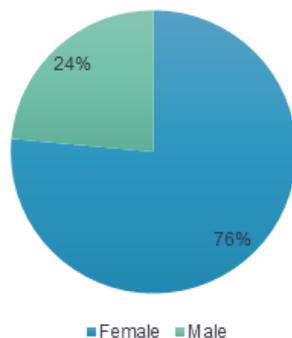


## PARTICIPANTS

32 entrepreneurs were selected for the incubation route, but only 18 of them completed the incubation process. Among the 18 participants, only 17 completed the questionnaire assessing psychosocial factors at the beginning and at the end of the incubator, so this report will present the analysis of the available data concerning the 17 participants who provided the pre- and post-evaluation.

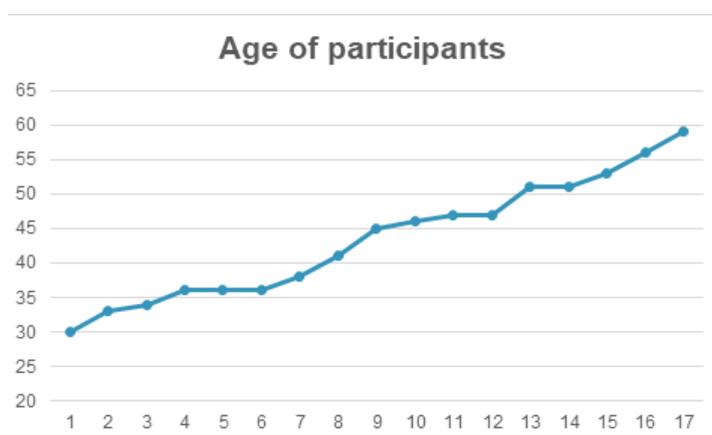
Regarding the demographic aspects, the 17 participants analysed were 13 females and 4 males:

**Gender of participants**



*Graph 1. Gender of participants*

The average age of the participants is 43.5 with rather heterogeneous age range, as shown in the diagram below:



*Graph 2. Age of participants*



## RESULTS

The results of the follow-up of the psychological part allow the partnership to collect data on the psychosocial progress of participants and on the impact of the incubation process. At the beginning and at the end of the incubation process, the results have been collected and analysed, underlining limitations and opportunities that exist when it comes to incubating groups at risk of exclusion and it will be the base for finalizing of the Social Seed methodology.

Through the questionnaire it was decided to investigate five specific psychological constructs through the different items:

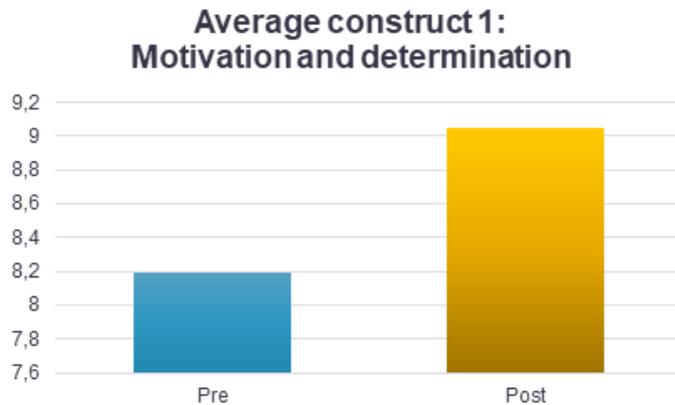
- Motivation and determination;
- Self-efficacy;
- Self-esteem;
- Proactive Decision-Making;
- Confidence in the future.

### **Motivation and determination**

This construct is aimed to identify the degree of motivation and determination given by both intrinsic and extrinsic factors. Pinder (1998) defined work motivation as “a set of energetic forces that originates both within as well as beyond an individual’s being, to initiate work-related behaviour, and to determine its form, direction, intensity and duration” (p. 11). Motivation is thusly manifested by attention, effort, and persistence.

The results of the questionnaire shown that the 17 participants increased their Motivation at the end of the incubation process, with one particular result showing the importance of improving one's lifestyle as a factor influencing extrinsic motivation. At the Pre questionnaire the average obtained in the motivation construct was about 8,19, while at the end of the course it was about 9,04, as in the diagram below:



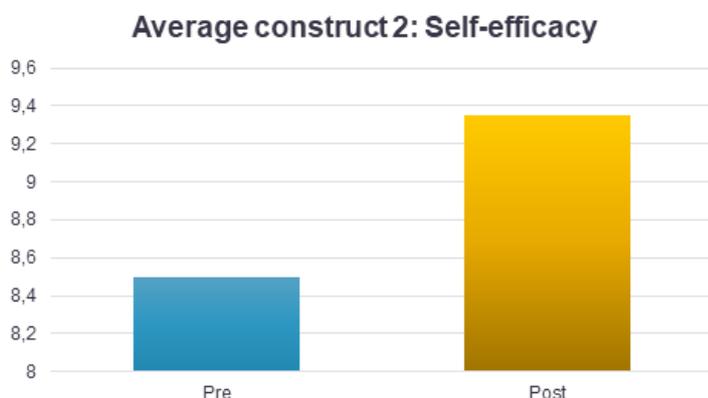


*Graph 3. Average construct 1*

## Self-Efficacy

The construct of Self-Efficacy reflects an optimistic self-belief (Schwarzer, 1992). This is the belief that one can perform new or difficult tasks, or cope with adversity, in various domains of human functioning. Perceived Self-efficacy facilitates goal-setting, effort investment, persistence in face of barriers and recovery from setbacks and it can be regarded as a positive resistance resource factor.

The results of the questionnaire also show in the case of this construct a positive effect of the incubation course, recording an important increase in the participants' perceived Self-efficacy from 8,50 at the Pre-assessment to 9,35 at the Post-assessment.



*Graph 4. Average construct 2*

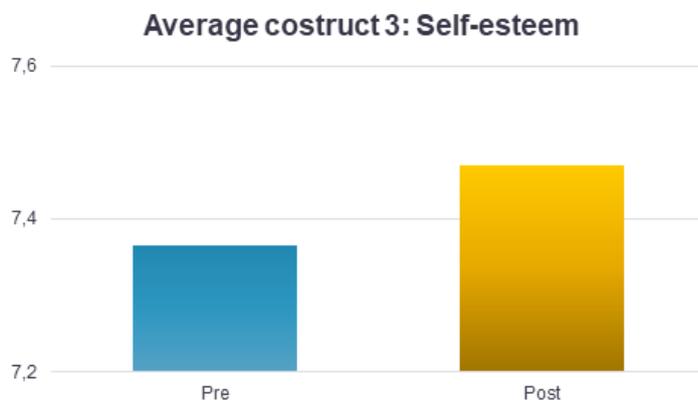


## Self-esteem

The construct of Self-esteem is aimed to detect the individual's sense of own value or worth, or the extent to which a person values, approves of, appreciates, prizes, or likes him or herself (Blascovich & Tomaka, 1991). The broadest and frequently cited definition of self-esteem within psychology is Rosenberg's (1965), who described it as a favourable or unfavourable attitude toward the self (p. 15).

The answers to the questionnaire showed a slight increase in the Self-esteem of the participants who answered the questionnaire, through a Pre score of 7,36 and a Post score of about 7,47. Participants' perceived self-esteem prior to the incubation process was low, probably due to the relevance of other people's opinions and vulnerability which can lead to higher expectations of failure rather than success. Coming from groups of people at risk of social exclusion may have a certain influence on the self-esteem factor. Nevertheless, it was also pointed out that the possibility of entrepreneurship can be considered a turning point and the object of many expectations.

Despite the expectations, this idea has not been confirmed by the data. As it will be discussed in the conclusions, there are, however, some biases that may have influenced the compilation, making it difficult to draw firm conclusions.



*Graph 5. Average construct 3*

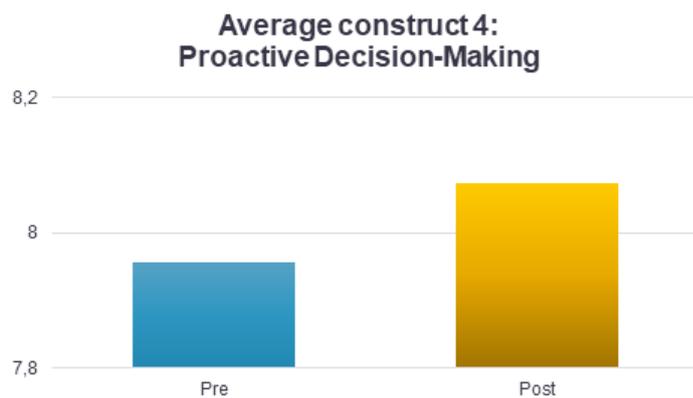
## Proactive Decision-Making

Proactive decision-making is a cognitive process of choosing an alternative through which a person prepares for an event, before it occurs, by assessing what future outcomes may result from their actions with awareness of the useful and available resources, in order to use them to help themselves succeed. Through this construct and the related questions, we then investigated how participants intervene in the situation they are experiencing, trying to



improve it and make it more suitable to their desires through decisions and actions that bring them greater satisfaction and well-being.

The results of the questionnaire show results that are very close to Pre and Post, which had an average of 7,96 and 8,07 respectively. This result highlights a certain caution in making decisions.



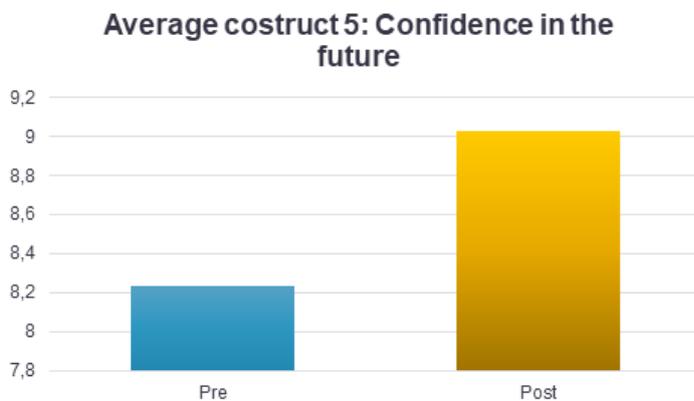
*Graph 6. Average construct 4*

## Confidence in the future

Confidence in the future is the last construct of the questionnaire and was included to investigate the impact that the Social Seed incubator may have had in increasing participants' confidence in their favourable and positive future. In this sense, confidence in the future is understood as the willingness to invest in choices that will shape the future and help participants reach their potential. In fact, it is hypothesised that working positively on one's own entrepreneurial activity may incentivise participants to believe more strongly that they can achieve a more favourable life through a commitment to having more confidence in themselves and their potential.

From the answers given by the participants there is a significant increase in Confidence in the future. The average of the answers to the questionnaire is in fact 8,25 at the Pre and 9,03 at the Post.





Graph 7. Average construct 5

### An overview of this experience: some qualitative data

At the end of the social incubation process, in order to enrich the evaluation of the experience from the point of view of psychosocial development, it was decided to collect some testimonies from both the entrepreneurs and the mentors who followed them throughout the process. Below are the stories of some of them.

#### Entrepreneur:

*“On a personal level, the incubator led me to re-evaluate my values, goals and possibilities. I have developed new skills thanks to the knowledge offered. I met excellent stories and people, thus expanding my personal and professional network. I learnt to value myself more. And I reshaped my organisation of priorities in a more productive way. The best aspect of this journey has been my openness to the professional world, because at the time I felt directionless. Now, I have a direction, a focus and a purpose that motivates me. I am very grateful to have crossed the incubation route on my way; I now share projects with wonderful people.”*

This testimonial highlights the positive impact on many of the constructs analysed in the questionnaire itself, such as self-esteem and the perception of one's own value, motivation, a sense of self-efficacy, and increased confidence and trust in the company. An example of how personal growth can be intertwined with professional development in a genuine way.

*“For me, participating in Social Seed was a great opportunity to gain new knowledge applicable to the current job market. On a personal level, meeting people with a lot of empathy and humanity. I found myself again as a person and overcame my complexes, fears and stress. I feel totally renewed thanks to the valuable cooperation of my mentors, coach and professionals. My coach is an excellent professional and with the help of my*



*mentor and other professionals I feel happy and satisfied to belong to the Social Seed family.”*

This participant also underlines a very important aspect of self-esteem and self-worth, i.e. perceiving oneself as a person again and overcoming all the obstacles one may encounter.

*“The most important thing is that Social Seed has helped me to believe in myself, to believe that it is possible and to have the certainty that when you put perseverance, will and knowledge, nothing is unfeasible and everything can be achieved.”*

*“I needed that project at that moment. I needed to know how wonderful human beings are, that there are many who only want to give you the best... and I found them and they pushed me to believe that I can, that through accompaniment, perseverance and learning, you can achieve many things”*

*“Thanks to the incubator, I have changed my life. I have a disease and I thought I would never make it. And thanks to a small idea, look where I am today. With resilience, studying, having patience, listening, talking, negotiating, learning, now everything has changed. I'm making a lot of progress and getting in touch with more people. I feel healthier and stronger than I thought before.”*

Like the previous stories, these narrations also express how the incubation process has a strong impact on people's lives, which goes beyond training and the acquisition of professional skills. For many of them, it has been a proof of value, a moment of redemption in which they had demonstrate and prove themselves what they are worth.

### Mentors:

The mentors' testimonies also suggest that the change from the beginning to the end of the incubation is relevant and significant not only from the point of view of professional knowledge and skills learned, but also in terms of growth and development of one's personal skills. Below is what they report:

*“It is very gratifying to see that you are doing your bit so that other people can acquire some of your knowledge and can use it to create a livelihood for themselves. One of the things I liked the most is to see the evolution from the first session to the last. Between the training they receive and the mentoring, you notice an evolution especially in attitude.”* Ramses Sanz

*“In terms of the evolution of the entrepreneurs during the incubation weeks, at the beginning they come in with a lot of enthusiasm and also with a lot of fear. And I think that one of the nice things that happens is that when we start to validate that the project makes sense and that the market can demand it, that's when they start to get into gear, get excited and*



*realise that they can make a living out of it, and that's when you notice a wonderful personal evolution.” Manuel Laguna*

*“The incubator has been a very intense process but thanks to it the entrepreneurs feel empowered to continue with their business ideas. Ideas that in many cases they would not have dared to carry out without the confidence of the entire Social Seed project team.”*  
Daniel Ibiza

## 11. FOLLOW UP: EVALUATION OF THE PROCESS

### METHODOLOGY

The mechanisms to be used to monitor change depends on the nature of the change and what is being monitored. Often more than one method is used to gain feedback or a response from different perspectives.

The **strategy** provided for the monitoring and evaluation of the business learning process implemented with the piloting of Social SEED incubation programme has been built on the basis of the expected learning outcomes of the training programme, considering, as main target groups involved in the monitoring process:

- Entrepreneurs
- Mentors and Coaches involved in the piloting.

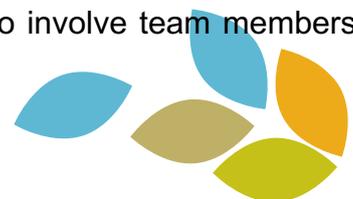
The **monitoring tools** were designed considering the following aspects:

- Content of the Business Manual and expected learning outcomes
- Ease compilation / response by the participants
- Qualitative and quantitative information useful for the final evaluation.

The survey was organized in **3 stages**:

1. **Initial assessment** through questionnaires for entrepreneurs and mentors/coaches
2. **Mid-term evaluation** through focus group with entrepreneurs
3. **Final evaluation through focus group with** mixed group (mentors and entrepreneurs) for impacts evaluation.

An important part of the Social SEED monitoring process was to involve team members



who were implementing the change (mentors and coaches). They were in a good position to pick up on any variations or problems and to provide feedback.

For this reason, there needed to be a climate where team members were encouraged (through the focus group) to reflect on progress and to suggest improvements and discuss these as a group.

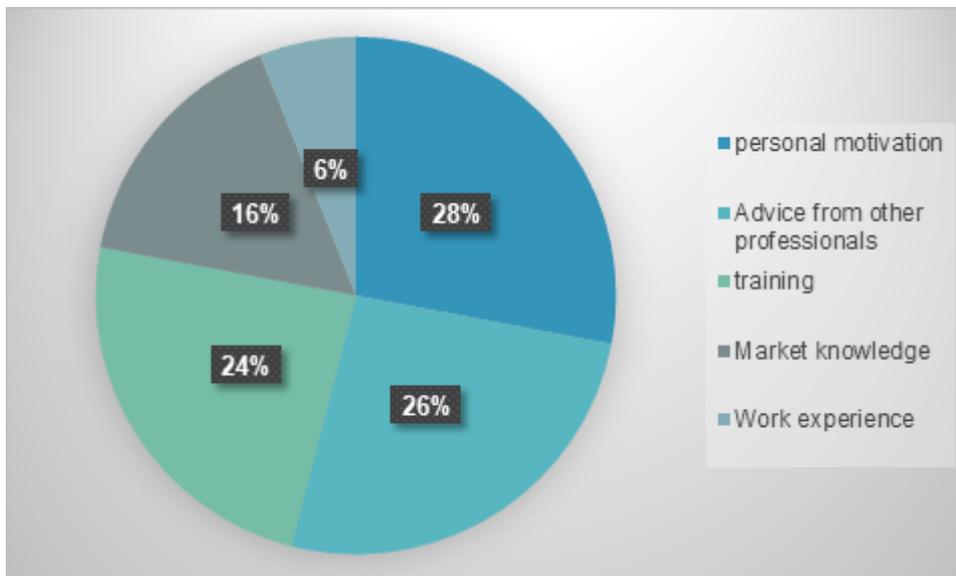
## INITIAL ASSESSMENT RESULTS

The initial assessment was implemented with 18 entrepreneurs and 10 mentors/coaches.

**Entrepreneurs** were aged from 24 to 64; 10 of them are foreign citizens and 8 locals; all of them expect 2 were unemployed.

Referring to the incubated business idea, 13 entrepreneurs implemented projects from bank of ideas and 5 implemented their own business idea; half of them had previous entrepreneurship experiences

The factors considered the most important to them when they decided to incubate their business ideas were:



Graph 8. Important factors business ideas

According to their opinion, knowledge and skills important to be successful in the business activity they intended to develop were:

- Self-marketing,
- Perseverance,
- IT, digital marketing,



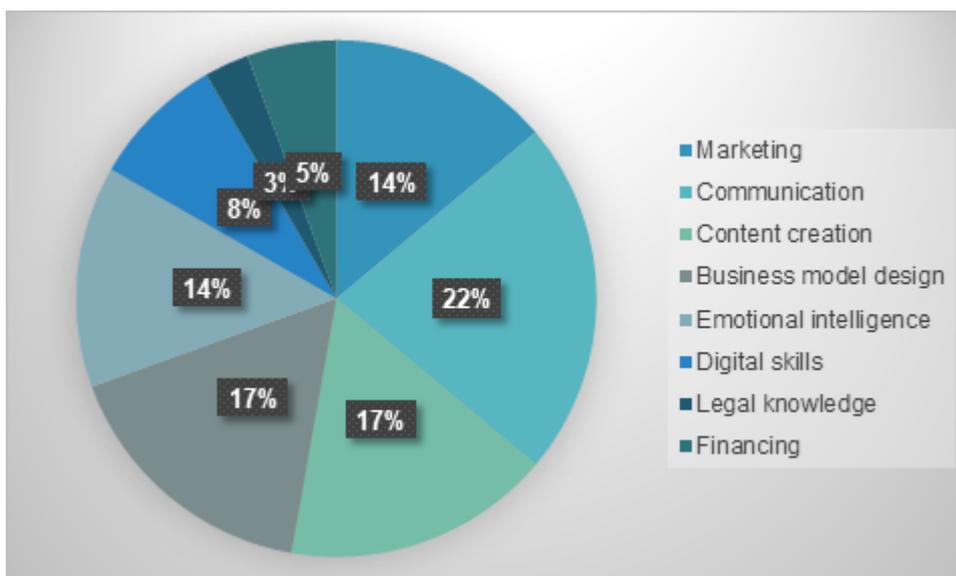
- Organization, Planning, time and resource management,
- Accounting and administration skills,
- People management and Cooperation,
- Technical knowledge of the market and current trends,
- Proactivity
- Trust and respect
- Being productive, decisive, and positive
- Discipline, enthusiasm, resilience, empowerment,
- Empathy, social skills, emotional intelligence,
- Stress management,
- Adaptability and awareness of change.

According to their perception, each participant defined his/her learning needs and strengths referring to their entrepreneurship idea.

**Mentors** were aged from 40 to 63; 7 of them are self-employed and 1 is retired; all of them expect to have experience as mentors.

They decided to participate in the programme to share knowledge and be useful to society, to collaborate with some organizations and foundations, to help people, to share and learn themselves.

The fields of knowledge that they consider the most relevant for a new entrepreneur are:



*Graph 9. Relevant fields of knowledge*

Finally, they underlined which knowledge and skills, in their opinion, are important to be successful in a business initiative.



## MID-TERM EVALUATION

The midterm evaluation consisted in receiving personal feedbacks and running a focus group between both mentors and entrepreneurs which totalled 10 people in this occasion (5 entrepreneurs and 5 mentors). This was to have an organic overlook of how the incubation process was proceeding and gain consequent insights and allow consequent adjustments. The questions posed covered the following topics:

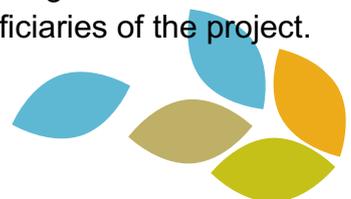
### 1) Group dynamics:

#### Observations:

Dynamics between mentors: being two mentors per each group of 3 incubated people, there were sometimes difficulties in prioritizing the recommendations given. Also, many times mentors come from a complete different socioeconomic background and environment compared to the incubated participants, this divide sometimes, especially for mentors that are first-timers, translated into an initial effort of "bringing down to earth" some really complex and technological concepts there were presented to participants. Lastly, in the case a project coming from a previous incubation phase was considered, mentors sometimes didn't understand that what was to be developed was the scaling model of the already existing business rather than the reimagining all business model.

Dynamics between entrepreneurs: interpersonal collaboration between people that don't know each other and may have different expectations, educations, professional and social backgrounds may be complex to hack. In fact, sometimes some participants felt that others were not helping much or were indeed blocking the development of the idea, either due to their personalities or for other less specified reasons. On the other hand, nevertheless, we had different occasions where there was an immediate click between participants and mentors.

Most importantly, it is to note that what is most important for such dynamics to improve, is the ability to connect with others at an interpersonal level by starting to look at the world from each participants' perspective, since they are the main beneficiaries of the project.



## 2) Information assimilation

We could observe that in many cases participants digest the given information and different rhythms. This sometime hindered the result of some sessions or limited the potential development of some ideas.

Nevertheless, we could learn that we will need to design information flows in a way that both the amount and the instructions given are easily understandable by everyone, perhaps with the help of audio-visual support.

## 3) Engagement level

Engagement level was high through all the incubation process. Most notably, for most participants this was mainly a beautiful occasion for getting to know people in similar conditions, share stories, feelings and emotions with others and have a group of people that could be there to listen to their worries and fears. Such a familiar environment was one of the most un-expected and welcomed effects of this project, sometimes having someone to trust while you are in difficulties is much more valuable than being able to develop a business idea.

One aspect to improve is the capability of framing the ideas coming from the bank of ideas in a way that people will fall in love with it much easier, thus being engaged not only on a practical level, but also on an emotional one.

## 4) Access to digital tools

Access to the needed digital resources (smartphone or laptop) to participate at the incubation process, due to COVID restrictions, was diverse and mostly lacking between



some entrepreneurs which come from difficult economic, health conditions (including disabilities). For later occasion it will be important to find solutions around such lack of access for participants.

## FINAL EVALUATION

The final evaluation was implemented as focus group on 16<sup>th</sup> July 2021, with the participation of 2 entrepreneurs and 3 mentors.

The topics of the discussion were:

The topics of each question are:

1. **Knowledges shared/acquired through the programme**
2. **Skills shared/acquired through the programme**
3. **Relations with trainers, mentors and other entrepreneurs/stakeholders.**

The main conclusions were:

### ❖ **Digital incubation environment**

Despite the difficulties that some participants with lower digital skills could encounter, it is needed to develop a digital environment for the incubator, to allow:

- upload and organize the different content and materials generated throughout the different editions
- facilitate the communication between the different members of the incubator (entrepreneurs, mentors, coaches, volunteers ...)

### ❖ **Knowledge prior to entrepreneurship**

For some of the ideas bank projects, the need is identified for future entrepreneurs to have specific knowledge on the subject before launching. (Example: for the digital marketing agency, it is necessary for the person to have marketing knowledge before launching into the venture)

This level of knowledge should be evaluated before starting the incubation process (between the selection of the participant and the choice of her entrepreneurial idea). Without that, feelings of frustration or overwhelm can be generated that complicate the process a lot.

### ❖ **Relations between mentors and entrepreneurs**



Relationship problems can arise between some mentors and entrepreneurs that can jeopardize the learning and incubation process.

It is therefore necessary to define mechanisms that allow detecting these problems or conflicts as soon as possible to propose the appropriate responses as soon as possible.

It could also be useful for entrepreneurs to be able to interact with other professionals involved in the incubator. In this sense, the usefulness of the "expert groups" developed stands out.

#### ❖ **Post-incubation monitoring**

Contact with entrepreneurs is usually quickly lost after 12 weeks of incubation.

It would then be interesting to think and develop mechanisms that allow better monitoring of these projects after incubation and entrepreneurs know that they can continue to rely on the incubator and its community (mentors, coaches, volunteers, other entrepreneurs ...).

#### ❖ **Face-to-face events**

With the idea of consolidating the community but also to break with the "everything online" face-to-face events where people can meet, and exchange ideas and experiences are strongly recommended.

## 12. ENTREPRENEURS FUNDING OPPORTUNITIES

Financing business is a major challenge for disadvantaged founders and for social entrepreneurs. Despite a large number of existing financial instruments only a few are tailored to these two target groups. Although disadvantaged founders and social entrepreneurs are not excluded in principle, only a few financial instruments can be used for them due to their specific situation (e.g., low income, low esteem, low scaling, no high financial profit expectations).

The traditional capital market focuses on financing profit-oriented enterprises. Players are banks, venture capital funds, investment funds, private equity funds, business angels, stock exchanges. These actors can also be used by social enterprises, as long as they offer the necessary collateral. However, this is often not the case for social entrepreneurs with novel business models - and even less so for the business models of disadvantaged founders who can also offer little securities. Loan financing currently plays a minor role as a form of financing



for social entrepreneurs and disadvantaged founders. This also applies to venture capitalists and traditional business angels.

Social entrepreneurs prioritise positive social impact over financial profits. It distinguishes them on the market, but at the same time, makes it more complicated when applying for funds. Overall social entrepreneurs reach both for public and private funding, in the form of:

- subsidies (EU, state budget, local government budgets, private donors),
- debt instruments (banks, loan funds),
- donations,
- equity instruments,
- guarantee instruments and instruments securing the risk.

They strongly depend on public funds, private investors and entities realising goals other than profit only; therefore, subsidies and debt instruments are the most popular funding options used by social entities. Seldom it happens that guarantee instruments and instruments securing the risk are issued for social entrepreneurs and that the equity instruments are used.

## Banking

Loans from commercial banks are extremely difficult to obtain by social entrepreneurs, as these institutions aim at maximizing profit, which social enterprises cannot promise. However, it doesn't mean that they are entirely excluded from the banking system, as state banks and ethical banks come to the rescue. **State banks** offer support in the areas that are problematic, less profitable or simply not attractive to commercial banking, but important to society and economy. One of the examples is a Polish Bank Gospodarstwa Krajowego (BGK), that supports the social and economic development of Poland, as well as, helps the public sector in implementing its tasks. BGK prepared some financial instruments addressed directly to social entrepreneurs, like liquidity loans for the social economy<sup>1</sup> or loans for the development of social economy entities<sup>2</sup>.

It is also common that commercial banks are offering loans, that are financed by the state. In Spain social entrepreneurs are offered ICO Lines<sup>3</sup>, that are government loans but executed through banks and authorized financing entities, designed to finance business



activities and investment projects of freelancers, entrepreneurs and companies, as well as their internationalization process, with the aim of covering all stages of business development. The banks are responsible for the money that the state lends. These loans could be offered by the main banks (Caixa Bank, Banco Santander, BBVA, Bankinter).

Another option available to social entrepreneurs is **sustainable banking**, referred to as **ethical** or **social**. It evolved in the '70s and is now more important than ever. Sustainable banking offers financial services, but when making a decision, not only the future profit but also positive social and environmental impact are taken into consideration. In this way, ethical banking creates benefits not only for their clients, but also for the whole society, by addressing the most pressing issues of our time (ecological agriculture, renewable green energy or social entrepreneurship). Ethical banking responds to the financial needs of those excluded or challenged in the traditional banking system, so it is an interesting alternative for social entrepreneurs. It pays attention to initiatives that support self-employment and increases the business activity of women. On the other hand, investors and clients bringing in savings get a chance to shape the direction their savings are placed in.

**Triodos Bank**<sup>4</sup> is a Dutch institution that finances initiatives and companies dedicated to the environmental, cultural and social sector since 1980. It work with committed organizations that seek to transmit their values to society through their business and economic activity and operates in Belgium, Germany, France, Great Britain and Spain. Through the SME Guarantee Fund, it supports the start-up and development of micro-enterprises and professionals in accessing financial sources, through a public guarantee. In Germany Worth mentioning are the **GLS Bank**<sup>5</sup>, the **Umweltbank**<sup>6</sup> and the **Ethikbank**<sup>7</sup>. Even if social enterprises are not the explicit target group, they are increasingly financed by these banks.

## Microloans

Microloan (microcredit) is a financial instrument that aims to meet the needs of financial and social inclusion of those who have difficulties in accessing traditional credit. This is not simply a small amount loan, but an integrated offer of financial and non-financial services. What distinguishes microcredit from ordinary credit is the attention to the person, which translates into welcoming, listening and supporting the beneficiaries from the pre-disbursement to the post-disbursement phase, as well as the particular attention paid to the



validity and the sustainability of the business project. The amount of microcredit is from 25,000 to 40,000 euros.

The **Microcredit Fund Germany**<sup>8</sup> applies to the whole of Germany and is extended through accredited microfinance institutions (MFIs). It is aimed at small and young enterprises that do not receive loans from financial institutions; special target groups are female founders and entrepreneurs, migrants who want to start up or are already self-employed, and entrepreneurs who want to train or provide training. But in principle, all founders and entrepreneurs who do not receive loans from their banks can take advantage of the microcredit fund. However, the loan is to be granted in "small steps": an initial loan of 1,000 euros, 5,000 euros or 10,000 euros, depending on the needs of the founder/self-employed person. If this loan is repaid without problems in the first six months, then a second loan can be granted, but the total volume must not exceed 25,000 euros<sup>9</sup>.

The **Micromezzanine Fund Germany**<sup>10</sup> applies to the whole of Germany and is aimed at entrepreneurs who have little equity capital and therefore no access to loan financing. With favourable conditions, small and young entrepreneurs as well as founders who have little equity capital are to be reached. These include in particular: i) founders from unemployment, ii) companies run by women or migrants, iii) commercially oriented social enterprises, iv) environmentally oriented companies, v) training companies, vii) companies from the healing and care sector and ix) people who want to take over a company. A maximum of 50,000 euros can be applied for with a 10-year term; for the target groups listed above, the amount can be increased to a maximum of 150,000 euros. The funding is provided as a silent partnership and is a mixed form of equity and debt capital. The investor does not have the right to influence the company. The aim of the capital is to give the self-employed a higher credit rating in order to obtain better financing opportunities from financial institutions<sup>11</sup>.

In **Fondazione Grameen Italia** the tutoring begins with the development of the business idea and the economic-financial plan, continues with the request for microcredit at a financial institution and continues together until the loan is extinguished. Business microcredit consists of a loan of up to € 25,000, useful for starting a business or consolidating existing activities, granted on trust to those who have no guarantees to present to banks. Maximum amount: 25,000 euros (which can be raised to 35,000 in certain cases)<sup>12</sup>.

## Crowdfunding

Crowdfunding is another source of funds social entrepreneurs may use. It is a form of **community financing**, which means that a group of supporters makes relatively small



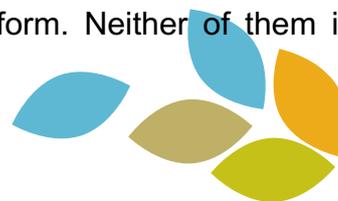
contributions in exchange for rewards, a 'thank you' card, or the sole satisfaction of helping out. Crowdfunding provides access to capital for start-ups and individuals. Financing through crowdfunding does not depend on the credit history and works well for people who would not receive funds from traditional creditors. It supports the entrepreneurship of people "excluded" from traditional financing sources and equalizes their chances of obtaining financing to develop important and interesting projects.

Crowdfunding projects can have a business, social or charity character and enable pursuing the applicants' passions. It, therefore, supports the development of social entrepreneurship that combines both social and economic goals. This form of financing is highly attractive for social entrepreneurs as the benefits go beyond the funding itself. It tightens the relationship with investors, potential business partners and the online community in general. As world becomes smaller, there are platforms that operate in more than one country, there are also national platforms that limit their activity to a given country or a set of neighboring countries.

In Spain entrepreneurs have a set of platforms available: (a) **La bolsa social**<sup>13</sup>, which is a meeting point between entrepreneurs and social investors. They promote ethical financing for developing companies. (b) **Verkami**<sup>14</sup>, a platform that supports cultural projects. Its main objective is to offer a creative, committed and quality crowdfunding experience. (c) **Teaming**<sup>15</sup>, that allows to choose a project and finance it with the contribution of 1 € per month. It is aimed at both entrepreneurs and investors, it is based on a community made up of companies, universities or individuals. (d) **Namlebee**<sup>16</sup>, which helps with the most difficult projects also have a place in social financing. This platform supports those who want to mount a documentary on threatened activists, a historical investigation, the rehabilitation of an old building for socio-cultural purposes.

In Germany crowdfunding platforms are becoming increasingly important for financing social entrepreneurs, especially in the start-up phase. One example is **betterplace.org**<sup>17</sup>, which is used to acquire donations and supporters. However, this type of financing does not apply to disadvantaged founders, as the personnel and financial commitment of a crowdfunding campaign is too costly for their start-ups - which are often micro and small start-ups.

Social entrepreneurs from Poland can create their projects on **PolakPotrafi.pl**<sup>18</sup> or **Wspieram.to**<sup>19</sup>, which are the most popular crowdfunding platform. Neither of them is



dedicated to social enterprises, but social entrepreneurship is within the scope of their activities.

There are also worldwide known platforms, such as Indiegogo<sup>20</sup> and KickStarter<sup>21</sup> can be used by everyone. They finance small businesses and initiatives, which allows advertising the campaign before raising funds and continuing to promote the product once it is finished. It might not be the perfect match for social entrepreneurs though. It is recommended to reach out to the local platforms first, as it is easier to successfully finance the project, by supporters more involved and connected to the local market.

## **Business Angels**

Business Angels are individuals investing their private capital into entrepreneurial ideas or start-ups at a very initial stage. Business angels are strongly motivated by growing and developing a venture by contributing their own experience, network, and time, as they are successful entrepreneurs themselves.

The only EU statistics available concerns traditional business angels, not the social business ones. According to numbers from The European Trade Association for Business Angels, Seed Funds and Early Stage Market Player (2018), 337,500 investors closed 39,990 deals in 2017. The average investment per business angel is €25,400. UK, Germany and France are among the more developed markets with the highest volumes of business angel investments in enterprises.

However, in recent years, with the growth of the social economy's awareness, more business angels are also looking for possibilities to invest in social enterprise. Central and Eastern European countries are still lagging in the business angels' investment scale compared to Western European countries, especially when the investment is within the social enterprise, not a traditional business activity.

## **Support from central and local governments**



Central and local authorities have different financial and non-financial possibilities to support social economy entities. Some of these support instruments are dedicated to specific types of entities, e.g. social cooperatives, while others are widely addressed to all kinds of social enterprises.

Italian entrepreneurs have access to a few country-wide initiatives, first one being **Fondo a sostegno dell'impresa femminile**, which has 20 million euros for each of the years 2021 and 2022, intended to promote and support the start-up and strengthening of female entrepreneurship, the dissemination of the values of entrepreneurship and work among the female population and the quantitative and qualitative contribution of women to the economic and social development of the country.

**Imprese dell'economia sociale** is a fund by the Ministry of Economic Development to promote the diffusion and strengthening of the social economy, supporting the birth and growth of companies that operate, throughout the national territory, for the purposes of social utility.

**Nuove imprese a tasso zero** is the incentive for young people and women who want to become entrepreneurs. The concessions are valid throughout Italy and provide for a mix of zero-interest financing and grants for business projects with costs up to 3 million euros, which can cover up to 90% of total eligible expenses.

Another initiative worth mentioning is **Nuovo SELFIEmployment** that supports the launch of small business initiatives, promoted by NEET, inactive women and long-term unemployed, with zero-interest loans of up to 50,000 euros, throughout the country. The incentive is managed by Invitalia as part of the Youth Guarantee Program, under the supervision of the National Agency for Active Labor Policies (ANPAL).

Poland offers **supported employment financed by the Labour Fund**. Supported employment, also called social employment, is a form of employment regulated by the Polish Act of 13 June 2003 on Social Employment. It addresses people who have significant problems with entering the labour market. It is oriented mainly towards long term unemployed people. Supported employment is based on the contract between an employer



and local authorities. The agreement obliges an employer to hire—for at least 12 months—people who participate in activities undertaken by two types of organisations - CIS (Centre for Social Integration) or KIS (Social Integration Club). They both train people excluded from the labour market. In exchange for employing these people, a company is rewarded with reimbursement for part of their salaries during the first 12 months. In the case of one employee, this compensation must not be higher than:

- 100% of unemployment benefit together with social insurance contributions during the first three months of employment;
- 80% of employment benefit together with social insurance contributions during the next three months of employment;
- 60% of employment benefit together with social insurance contributions during the next six months of employment.

Another initiative is aimed at **supporting employment of persons with disabilities**. According to the 1997 Act on Vocational and Social Rehabilitation and Employment of Disabled Persons and the 2004 Act on Promotion of Employment and Labour Market Institutions, all employers who employ workers with disabilities based on permanent contracts may apply for:

- A monthly subsidy for remuneration paid to the worker with a disability. The amount of this subsidy depends on the level of disability: it is 180% of the minimum wage for workers with a severe disability; 100% of the minimum wage for workers with a moderate disability; and 40% of the minimum wage for workers with a mild disability.
- The reimbursement of specific costs incurred to adapt the workplace for a worker with a disability (min. employment for 36 months);
- The refund of workplace equipment for a disabled person (up to 15 times the average wage);
- repayment of the cost of training workers with disabilities;
- refund the monthly expenses of employing an employee assisting the disabled worker in activities connected to communication with the environment and performing actions challenging to execute by workers with disabilities in their workplaces.



The subsidies mentioned above and reimbursements are paid out from the State Fund's sources for Rehabilitation of Disabled Persons (PFRON).

Germany has prepared some general employment support as well. The **start-up grant from the job centres** can be used by people who have been unemployed for a long time and do not receive benefits under SGB III, but unemployment benefit II, which is granted under Social Code II (SGB II). Founders can receive the following support: i) start-up money, ii) a loan and iii) a grant.

The **start-up money (Einstiegsgeld)**<sup>22</sup> is a grant that can be paid in addition to unemployment benefit II for up to a maximum of two years. As a rule, the subsidy amounts to 50 percent of unemployment benefit II. The decision to grant the start-up allowance lies with the local job centre. For this, the founders must submit a business plan and must demonstrate entrepreneurial knowledge and skills. As with the start-up grant, a chamber is usually consulted to examine the business plan.

In addition, **grants** and **loans** can be given to founders by the job centres so that they can acquire material resources. These materials must be necessary and appropriate for the business. The grants can amount to a maximum of 5,000 euros and be paid in monthly rates. The loans can also exceed 5,000 euros, but this happens extremely rarely. As with the *Einstiegsgeld* and the *Gründungszuschuss*, a business plan must be submitted and proof of entrepreneurial knowledge and skills must be provided. But in the end, the decision is made by the job centre or the business policy of the respective job centre, which can make this decision independently (decentralised). Therefore, there is no nationwide obligation, but the job centres decide for themselves.

Local governments and their units are the fundamental support for social entrepreneurship development, both financial and content-wise. A natural partner of the local government in developing the social economy and creating local social policy are local NGOs, often solving societal problems using social economy tools.

A very interesting, Italian initiative is **Cultura Crea 2.0**, which supports the birth and growth of businesses and non-profit initiatives in the tourism-cultural sector. The loans are active in the regions of Basilicata, Calabria, Campania, Puglia and Sicily. The application can only be submitted online.



**Fondazione con il Sud** acts locally as well. It considers it useful to define and make public a regulation relating to co-financing initiatives. The regulation is aimed at disbursing bodies and non-profit entities who intend to start a collaboration process with the Foundation, in order to support or implement interventions for the social infrastructure of the South. This method of intervention makes it possible to promote co-financing initiatives with subjects not belonging to the regions in which the Foundation operates, producing on the one hand a "leverage" effect - determined by a greater influx of resources for social infrastructure projects in the South - on the other. a positive exchange of experiences with other providers.

In Poland there are several options for financially supporting social entrepreneurship on a local level. Some of them concern support only for social cooperatives, some also for other types of social enterprises:

1. Non-returnable subsidy for starting a business in a social cooperative - available as part of the Labor Fund funds administered by the local labour office or from EU funds as part of social economy support projects. Such subsidies can be obtained from local **Social Economy Support Centres - OWES** located in all major cities around Poland.
2. Support for employment in a social cooperative. Local authorities may finance from the Labor Fund a part of the salary (taxes and social contributions) of persons at risk of social exclusion employed in the social cooperative. The support scheme offer is the total amount for the first 24 months of employment, 50% for the next 12 months, up to the contribution based on minimum wage.
3. A subsidy to support or entrust implementing a public-benefit task under the Public Benefits and Volunteer Work Act. This support may be used by a non-governmental organisation, social cooperative or non-profit company. However, this type of help cannot support an economic activity (=for profit) conducted by given entities, only the social cause or activity related to public benefit.
4. Ordering the service or delivery of goods under the Public Procurement Law, with the possibility of using social clauses supporting the professional inclusion of excluded persons. This applies to all entities conducting economic activity, including social economy entities.
5. A loan or guarantee for the implementation of tasks in the field of public benefit on the terms set out in separate regulations (i.e. The Public Finance Act).



At the level of the 16 German Länder, the Land ministries are responsible for the programmes and the Land banks implement the programmes, which are often co-financed by European structural funds. The following three examples are especially attractive for social entrepreneurs.

**Participations of the Mittelständische Beteiligungsgesellschaft Mecklenburg-Vorpommern - MBMV Mikromezzanin<sup>23</sup>:** The Land of Mecklenburg-Vorpommern supports companies and founders by increasing their equity capital through silent participation. The target groups are primarily (i) small and young companies that provide training, (ii) founders from unemployment, (iii) founders with a migration background, (iv) women, and (v) commercial social enterprises and environmentally oriented companies. The loans can be used for investments in specific projects, e.g., for fixed assets, replacement and expansion investments or construction measures. However, the investments must be made in the Land. The amount of the investment is between 10,000 euros and 50,000 euros over a maximum period of 10 years.

**Start-up capital programme of the Saarland<sup>24</sup>.** The Land of Saarland supports (i) founders and self-employed persons in the first three years, (ii) freelancers and (iii) in justified cases, especially women after parental leave, also a second start-up. The maximum amount is 25,000 euros over a maximum term of 10 years. Funding is available for material investments, operating resources or the acquisition of companies. The requirements are (i) a viable business plan and proof of technical and professional qualifications.

**Innovative Measures for Women in Rural Areas (VwV - IMF)<sup>25</sup>.** The Land Baden-Württemberg supports innovative projects for women in rural areas and especially in LEADER areas. Women founders receive funding as a grant for the following projects: (i) qualification measures for women (for example, courses, workshops, coaching) to support reorientation and diversification, (ii) founding and further development of small businesses, (iii) support for the establishment of network organisations. The amount of the grant is up to 80 percent for qualification measures, up to 40 percent and a maximum of 120,000 euros for start-ups/business expansions, and up to 70 percent of personnel costs or up to 50 percent of operating and material costs for the establishment of network organisations.

In Spain **Gobierno de Aragón** funds projects, with special emphasis on socially excluded. The eligible projects provided for in this call are intended to develop a comprehensive policy to promote equal treatment, non-discrimination and affective sexual diversity. All projects will specifically contain actions for the prevention of violence against women based on their gender identity or expression or sexual orientation.

**Comunidad de Madrid** offers subsidies to promote the employment of people with disabilities in the ordinary labor market of the Community of Madrid. **Región de Murcia** offers grants, and their purpose is to promote and encourage actions aimed at the fight against poverty and social exclusion in the Region of Murcia, through the financing of social



intervention projects.

Social entrepreneurs in Germany, Italy, Spain and Poland have various funding options they can use. Although the initiatives and tools differ within the countries, there is a common trait in approach towards social entrepreneurship. It is acknowledged and more and more specialized assistance is offered. Still, the greatest obstacle to overcome when it comes to funding is little to none profit in most social enterprises.

## 13. CONCLUSIONS AND RECOMMENDATIONS

After having gone through the incubation process produced by the Social Seed project, the project partners consider the following conclusions and recommendations to be relevant and useful for the replication of the incubation model by other companies, organizations, NGOs, etc., in different countries.

We will present the conclusions and recommendations by classifying them according to the different elements that make up the incubation process:

### 1. With respect to the training process:

- a. Although the training contents have been complete and have covered a variety of important areas for the entrepreneurship of the incubated persons, the need to adapt the contents to a more basic level in accordance with the previous knowledge of the entrepreneurs has been observed.
- b. The same would apply to the training and profile of mentors and coaches.

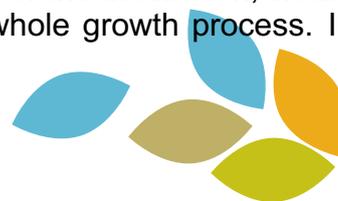


- c. It is interesting to follow up on both mentors and coaches as they tell their experiences from different points of view, which helps to identify threats and strengths with respect to training that would not be identified taking into account only one of the visions.
  - d. Only business in which the validation went well from the beginning made the entrepreneurs continue to believe in it.
2. **With respect to coaches:** It has been observed that coaches contribute positively to the incubation process with respect to the human process that the entrepreneurs experience during the incubation.
3. **With respect to the entrepreneurs:**
- a. Those who started the venture with their own idea have retained the illusion of taking the project forward. Those who started with ideas provided by the bank of ideas had difficulty "falling in love" with the idea and the project.
  - b. In general teams create support between entrepreneurs but at the same time generate more personal conflicts. The result of a better knowledge within the teams is a greater possibility to invest time in validating, etc.
4. **With respect to the psychosocial follow-up**

The results of the questionnaire show a general positive impact of the incubation path in the participants' psycho-social sphere, as it tends to increase the reporting of motivation and determination, self-efficacy, self-esteem and confidence in the future. This leads us to think that the participants have progressed through the incubation process not only professionally, but also personally and more profoundly, psychosocially. This trend, indicated by the quantitative data, can also be supported by the testimonies of some entrepreneurs, who recounted the impact the path had on their lives.

This experience can therefore offer some **suggestions** for future replications of the methodology.

Firstly, we recommend improving the evaluation process by increasing data collection. During the Social Seed incubator pilot two types of survey were included: quantitative, through a pre-test and a post-test of the questionnaire, and qualitative through the collection of some follow-up testimonies. This scheme could be improved through the collection of more quantitative data and through a more systematic collection of qualitative data. The collection of periodic quantitative evaluations, e.g. once every 4 weeks for the duration of the incubation, would allow the impact to be monitored more effectively, following the whole growth process. In



addition, the creation of three focus groups, at the beginning, in the middle and at the end of the course, would make it possible to observe change also through qualitative data. In this sense, a semi-structured interview scheme could be elaborated to analyse specific themes to be explored, i.e. the constructs analysed in the questionnaire. Such implementations would make it possible to collect more systematic information on which firm conclusions can be drawn.

Secondly, we would recommend expanding the questionnaire wherever possible by including scales validated by the literature in the field. In fact, in order to keep the questionnaire short, we have only included a few items from validated scales. However, these scales showed their reliability and validity only if used as a whole, not by extrapolating single items. In order to make the survey more consistent, we therefore recommend supplementing the questionnaire with complete validated scales.

In conclusion, we would also add to this evaluation a more systematic reporting of the coaches following the path of the entrepreneurs. This could help when analysing the data to give more value to the previous measurements, having a more triangulated view of the experience of the entrepreneurs (See Annex 2).

## 5. With respect to the evaluation of the process

According to the results of the different stages of monitoring and evaluation process, it is possible to conclude that the **BUSINESS LEARNING PROCESS is evaluated as positive**, in terms of knowledges and skills acquired by new entrepreneurs, as of development of business ideas (bank of ideas) in line with the market trends.

The strength of the process seems to reside above all in **the value of the community** that is established among all the players involved (mentors, coaches, volunteers, other entrepreneurs, etc.); it allows to share a large amount of material and immaterial resources, and is also considered strategic for the "survival" of new businesses after the incubation period.

Areas for improvement after the piloting can be identified in:

1. digitization of community services and resources
2. improvement of the communication process (and conflict management) between the actors of the community
3. improvement of the matching process between bank of ideas and entrepreneurs' profile (knowledge and skills, previous experience)
4. enhancement of the community in the follow-up phase of the incubation editions.



## 6. With respect to the funding opportunities

Microloans would not be a good idea for these entrepreneurs as these would be an added stress since their resources are limited and there is uncertainty about the possibility of repaying the debt.

Crowdfunding could be a useful option since it is non-repayable money, so entrepreneurs are taught how to create these campaigns.

In conclusion, if the project depends on grants in the first place, it would not be considered a viable business model. If the business idea is good and viable, customers will be obtained with whom this funding will be generated.

On the other hand, some **recommendations** that we could highlight would be the following:

### 1. With respect to the training process:

- a. Effectively adapt the contents to the profiles with which we work.
- b. Improve coordination between teachers and mentors, otherwise both follow disparate training processes.
- c. There must be a follow-up of the coaches since the social services may ask for information a posteriori.
- d. An initial questionnaire and a final questionnaire should be sent to the coaches to find out their opinions and how they have experienced the process.
- e. Mentors must go through a learning process, since they come from very different spheres of reality. They need much more resources to provide good mentoring. In this programme they had to generate solutions with very limited resources.
- f. The contents, dates and follow-ups of the sessions need to be defined more effectively

2. **Regarding materials:** Consider adding contents such as the creation of socially responsible companies, sessions on emotion management, legal advice or some optional sessions such as: introductory sessions on how to use basic digital tools, workshops on public speaking, etc.



### Annex A. Questionnaire

Please, indicate how strongly you agree or disagree with each statement below listed using a scale from 1 to 10, where 1 means *Strongly Disagree* and 10 means *Strongly Agree*.

**1. *When I think to this path, I experience positive emotions.***

| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

**2. *The project I am undertaking reflects my personal values.***

| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

**3. *This is the project I chose to undertake to attain a certain lifestyle.***

| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

**4. *I don't let negative emotions to be obstacles on achieving my goals.***

| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

**5. *I can solve most problems if I invest the necessary effort.***

| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |



**6I derive much pleasure to experience new things.**

|                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

**7. Others' approval it's fundamental for me to go on with this project.**

|                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

**8. I feel that I have good qualities to employ in this project.**

|                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

**9. I wish this entrepreneurship path could gain me more respect for myself.**

|                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

**10. I wish I could have more respect from other people.**

|                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

**11. I usually wait for something to happen rather than taking the initiative myself.**

|                   |  |  |  |  |  |  |  |                |  |
|-------------------|--|--|--|--|--|--|--|----------------|--|
| Strongly disagree |  |  |  |  |  |  |  | Strongly agree |  |
|-------------------|--|--|--|--|--|--|--|----------------|--|



|                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

12. ***I do not make decisions unless I really have to.***

|                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

13. ***I feel this path is an opportunity to reshape my environment.***

|                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

14. ***This path is the first step made to improve my current situation.***

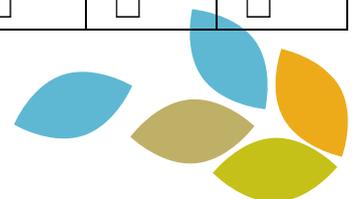
|                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

15. ***I am entitled to get into the career that I want.***

|                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

16. ***I am putting a lot of expectations into this project for my future.***

|                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |



17. *I consider future events in my current decisions.*

| Strongly disagree        |                          |                          |                          |                          |                          |                          |                          | Strongly agree           |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1                        | 2                        | 3                        | 4                        | 5                        | 6                        | 7                        | 8                        | 9                        | 10                       |
| <input type="checkbox"/> |

Please, include here any general comment and any improvement suggestion.

**Thank you for the collaboration**

**Keywords: *acceptance; awareness; attention; entitlement; self-esteem; personality; self-efficacy; values; beliefs; decision-making; motivation; limits; objectives; initiative; improvement; changes; future; responsibility; deserving.***



*Annex B. Qualitative data from professionals*

Dear Coach/Mentor/Trainer,

we ask you to provide briefly your view about these general topics. What we are asking is your professional opinion about the entrepreneurs you are following. You can find below a list of some relevant issue that we would like to deepen, accompanied by an input question to provide you an example of what we would like to know from you. It might be that for some of these inputs you do not have a precise answer and we know that there are no absolute opinions, but that we are dealing with perceptions and stories. However, we believe it is very important to gather your thoughts to get a broader view of the entrepreneurs' incubation experience, therefore we would like you to argue your answer also providing episodes or examples, if any.

Below we ask you for some data, which will only serve to recognise one professional from another. If you prefer not to identify yourself by name, please give us an acronym (initial of your name) or a number so that we can recognise your answers over time. Thank you!

|                           |  |
|---------------------------|--|
| Date                      |  |
| Name                      |  |
| Professional profile      |  |
| Role within the incubator |  |
|                           |  |

**In your opinion:**

|  |  |
|--|--|
| <b>Interest</b>  |  |
| <i>Do the participants seem interested on topics proposed?</i>   |  |
| <b>Participation</b>   |  |
| <i>Do participants seem involved on the activities proposed?</i> |  |



|  |  |
|--|--|
| <b>Motivation</b>  |  |
| <i>Do participants seem motivated by working concretely on their idea?</i>   |  |
| <b>Working in team</b>   |  |
| <i>Is the team working welcome and an incentive for participants?</i>  |  |
| <i>Are team working dynamics improving the participant's interpersonal skills?</i>   |  |
| <b>Changes</b>   |  |
| <i>Does the incubation path change the participants' perception of themselves?</i>   |  |
| <i>Is the self-esteem of participants increasing?</i>  |  |
| <i>Do participants feel that their project is changing and growing?</i>  |  |
| <b>Future perception</b>   |  |
| <i>Is the incubation path perceived as a starting point to improve their own future?</i>   |  |
| <b>Decision making</b>   |  |
| <i>Are participants quite autonomous in their decisions or do they rely a lot on the incubator staff (trainers, mentors, coaches)?</i> |  |

