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# Mapping social entrepreneurship for Roma communities

*Business Ideas*



 **SERCo**

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## Executive Summary

Recent years have seen a growing interest in social enterprises across Europe; the role of social enterprises can help in tackling unemployment issues in the Roma communities.

Within the Roma community there are many different crafts and hobbies. From the recovery of waste materials to the care of the elderly, these activities have a strong social impact both inside and outside of the community. A model of social entrepreneurship, by its nature can enhance this kind of impact. It is a way of doing business that not only looks to make profit, but it gives attention to social links that are being created, it can be a way to promote social inclusion and the empowerment of the Roma community.

This document is addressed to those who are interested in starting a social enterprise within the Roma community.

First of all, it is important to understand what a social enterprise is, how does it work and which are the laws that rule this kind of work. There are different kind of social enterprises, this kind of knowledge will help with the future entrepreneur's choice.

Good examples and good practices show that is possible for Roma people to start a business, that is not an utopy and that is a good way for the social inclusion.

This paper must be considered as a first instructions manual that has the aim to help those who want to start a social entrepreneurship.

## Project Description

The project promotes social economy as an effective instrument for integrated development of the Roma communities by:

- 1) analyzing the potential of applying social economy practices within Roma communities, from a social, economic and institutional point of view;
- 2) engaging policy-makers and civil servants and training Roma mediators for developing social enterprises; and
- 3) assisting Roma social business initiatives and promoting social economy within Roma communities and to the general public.

The SERCo partners recognize that social entrepreneurship can be a solution to the issues of Roma people, since it:

- helps resolving some of the existing needs of the community;
- facilitates the qualification on the job;
- uses local resources and allows the development of more entrepreneurs;
- supports traditional crafts;
- increases the qualification and education level;
- stimulates solidarity and lead to the improvement of the relationships between the members of the community;
- represents a self-help method;
- allows hiring people in vulnerable situations.

The project's core deliverables are:

- guidelines for Roma social entrepreneurship
- Mediators' training programme
- One-to-one mentoring for social enterprise development
- SERCO VLE for mutual learning
- Public roundtables & info days
- Network for Roma Social Economy

SERCO Consortium:

- University of Piraeus Research Center, / [www.kep.unipi.gr](http://www.kep.unipi.gr) , Greece – SERCo Coordinator
- IDEA ROM ONLUS, [www.idearom.it](http://www.idearom.it) , Italy
- CESIE, [www.cesie.org](http://www.cesie.org), Italy
- The European Roma Information Office-ERIO , [www.erionet.eu](http://www.erionet.eu) , Belgium

- Center for Interethnic Dialogue and Tolerance “AMALIPE”, [www.amalipe.com](http://www.amalipe.com), Bulgaria
- Fundacio Privada Pere Closa, [www.fundaciopereclosa.org](http://www.fundaciopereclosa.org), Spain
- Tolerance and Mutual Aid Foundation (TMAF), Bulgaria
- Four Elements, [www.4-elements.org](http://www.4-elements.org), Greece
- Association Promoting Social Inclusion PAKIV (ACPSI PAKIV), [www.pakiv.ro](http://www.pakiv.ro), Romania

## Social Business

Define social business:

The European Commission describes social enterprise as an operator in the social economy whose main objective is to have a social impact rather than make a profit for their owners or shareholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. It is managed in an open and responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities.

According to Professor Muhammad Yunnus, social business can also be defined as an enterprise created and designed to address a social problem. A social business is financially self-sustainable and its profits are reinvested in the business with the aim of increasing social impact.

There are different definitions of social business, for example according to the EU A social enterprise is an operator in the social economy whose main objective is to have a social impact rather than make a profit for their owners or shareholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. It is managed in an open and responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities.

### How does it work?

Social businesses can choose to operate either as for-profit or non-profit. **For-profits** find funding from investors, which must be repaid through equity or dividends. In these arrangements, finding a way to make the business profitable, not just beneficial, to a social mission is essential.

**Non-profits** have more leeway. Their financing comes from donations, either from individuals, foundations or corporations. Instead of a financial return, these donors expect to see a social return on their investment. One drawback, however, is that non-profits are heavily reliant on donations, which may not always be steady. Interestingly, there is also a middle road; some businesses will build a for-profit branch to raise money and support development, while also having a non-profit branch to focus on their community goals, which allows them to seek assistance from donors. Which works best depends heavily on the type of business, its goals and how much funding it will need to reach them. Anyway, it must be taken into account that there are different laws in different European countries about making some profits for no-profits entities.

While non-profits and for-profits are the major divisions, there is a wide range of business models that create a lot of diversity in how businesses give back, find funding and operate on a day-to-day basis. Understanding the benefits and potential problems of some of the most popular models is key to building your own future social venture, as you will either want to emulate some of these elements or avoid the problems associated with them through better planning and design.



## Buy One Give One

Buy one give one, is a well-known social entrepreneurship model. In this model, each time someone buys a good, the same type of good will be donated to someone who needs. While buying one, give one seems like a solid way to both reward consumers and get disadvantaged individuals to get the help that they need, it is not a perfect model and those looking to apply it will need to tread carefully.

One of the biggest shortcomings of the buy one, give one model is its limitation actually changing the real problems surrounding a social issue. While giving a child a free pair of shoes might help them, it does not solve the deeper poverty and economic issues. Some critics have even asserted that it makes things worse by undercutting local merchants.

It does not seem to have fazed consumers — at least not yet—as the brand remains incredibly popular and often imitated, but that does not mean that interest in the brand will not flag going forward if consumers decide they can do better buying shoes (or any other product) from another business that has a better model.

## Supporting Local



Another common way that businesses pursue a social mission is through focusing on supporting local businesses, producers and suppliers. This strategy not only boosts the local economy but, depending on the product, may also reduce waste and foster a more sustainable, environmental-friendly way to do business.

Working with local businesses and entrepreneurs has many benefits and it can help to build a loyal consumer base, but it is not always easy. Seeking out these business people, building lasting relationships and being able to find enough merchandise to fill consumer needs can be challenging when working on a purely local scale. There may simply not be enough products at hand, or seasonal variations can make it impossible to maintain consistency in availability.

For some for-profits, it may not make financial sense and only those with a strong eco-friendly brand may be able to justify the additional costs that this can pass along to consumers. It is important to note that because some local and sustainable products are more expensive, not all consumers will be able to shell out for the premium associated with them. This can limit the market and may make it hard to scale and grow further on down the line.

Some of the benefits of supporting local businesses include:

- Creation of jobs and wages
- Help build communities
- Ethical choice
- Improves local economy
- Product diversity

## Donating to the Community

Want to run a for-profit business that is not just focused on making money? One of the easiest and most popular ways to do so is by giving some of those profits back to the community in the form of donations, products or services from employee volunteers.

Yet, giving back does not have to just be financial. The organization could fund services for job training, employment placement and other services for those who have disabilities, lack education or face any number of job placement challenges.

Giving back to the community is not always as easy as it might seem. For this model to work, businesses have to be able to balance profits and purpose, finding a product or market niche that has not yet been filled by another business. They also need to be able to easily quantify the benefits they are providing to a local community and to ensure that the funding, goods or service they are providing to a community are actually having the intended effect. Without being able to demonstrate this, it is nearly impossible to build a brand and customer loyalty.

## Business Ideas

Within the Roma community there are several jobs that lack of professionalism and recognition. Often, there are members of the community taking care of the elderly, thereby developing skills and competencies similar to those who have studied and worked in the public or private sector. Another common activity is the recovery and reuse of waste materials. These are activities which have a strong positive impact on the environment. In a world where we produce ever more waste, a company dealing with urban renewal and rehabilitation could have a great social importance.

Through a project of social entrepreneurship it would be possible to recognise and to legalise these activities carried out every day by Roma people. This type of activities may determine the definitive entry into employment for many young Roma. At the same time, it could be an example for all those who are forced to work on the edge of the regularity and might find stability within the social enterprise model.

A concrete example can be found in Turin. Zaim is a Romani man who has always worked in the recovery of waste materials. At the beginning, Zaim did this job without the necessary permits to carry out such activities in Italy. This led to a number of drawbacks such as fines and court trials, which eventually pushed him to become a member of a social cooperative, called Consorzio Equo, in order to continue doing the same job but using some of the legal advantages and opportunities. Among these opportunities is the ability to have contracts with local large industries such as Fiat Chrysler Automobiles (FCA) or institutions such as the City of Turin. Such types of opportunities were not available when the activity was carried out beyond the limits set by Italian law.

It is important to continue emphasizing the social importance of a job such as the collection and recycling of waste. Given that the rationale for a social enterprise, is to give something back to the communities in which the enterprise is located, working for environmental protection, disposal of solid waste should be seen as an important way to return something to the community.

There are several examples in Europe of social enterprises where the Roma community is involved:

### **GREECE**

#### **Stin priza**

A group of creative young people has created the social enterprise “Stin priza (plug in)” dealing with technology and in particular with free software and computer recycling. They promote the reuse of computers along with the appropriate use of free software, aiming to increase

the life expectancy of a computer, while reducing consumption and electronic waste. According to its members, there are no bosses and superiors. All decisions concerning the operation of Socket, equally taken by its members through the assembly. As they comment, "We are employers in the cooperative, without owning it. The capital, the space, the machinery, everything is part of the project itself, belong to each of us and yet to all of us".

Additional revenue beyond the fixed costs and salaries of employees-members are added to the principal of collective and is not shared to its members at the end of the month as earnings. Their reward is the hourly rate that they have chosen as fair gain for our work. Possible surplus, is used to a reserve a fund for the cooperative's needs and also for the support of similar projects.

Link: <https://stinpriza.org/>

## **BULGARIA**

### **Pchela**

Bee project "Pchela" started four years ago in Hayredin Municipality, the region of the highest unemployment in Bulgaria. The idea was supported by the Open Society Institute, Making the Most of EU Funds for the Roma.

As of 2014 the Social enterprise "Pchela" is proud of its 27 trained beekeepers, 10 beekeeping jobs created in the poorest EU region and first several tons of honey that have been already sold at the market.

Link: <https://www.youtube.com/watch?v=nnAKkBvqFMI>

## **ITALY**

### **Chikù**

Set up in autumn 2014, CHIKÙ identifies itself as the first Italian-Roma restaurant in Italy, which combines the Neapolitan cuisine with that of the Balkans. The restaurant, which also acts as a cultural and social point, was set up in the very difficult and disadvantaged neighborhood of Naples "Scampia". The typical activities of a restaurant are combined at Chikù with cultural activities, such as multicultural cooking courses, book launches, round tables, seminars, etc.

The restaurant was set up by the Italian association "Chi rom e... chi no", which supports the dialogue between Roma and non-Roma people in Italy. The association was granted funding by the Italian Office against Discrimination and the Italian Department of Equal Opportunities in 2010 to train 12 Roma and Italian women in intercultural cuisine. In 2013, the same association started the social enterprise that set up the restaurant in 2014.

Link: <http://chiku.it/>

## **Rom 1995**

The Cooperative was set up by the volunteers of the association “Opera Nomadi”, as a follow-up of the project “Lacio Gave” (“The Good City” in Romanes language) which in 1997 trained Roma people in the city of Reggio Calabria about employment opportunities in the field of the environment and urban regeneration, to promote their access to employment.

The Cooperative now manages an area where re-usable waste is collected from the city. Moreover, the cooperative offers a service for the collection of bulky waste items, but most importantly they offer training and information in collaboration also with schools to raise awareness about environment protection and the need for recycling and reusing.

Link: <http://www.rom1995.it/>

## **Gipsy Queens**

They are a group of young Roma women from Italy, who are passionate about cooking Roma dishes and promoting ancient flavours coming from Roma gastronomy. They usually organize caterings to different organizations and they also participate in seminars and conferences to overcome prejudices against the Roma community and to promote the labour inclusion of Roma people.

Not only is it an initiative that it is carried out for develop and promote the integration of the Roma community in the city and in society in general. On one hand, it tries to strengthen the self-esteem of women, and on the other hand, it tries to foment culture and Roma values, especially for the young people.

Link: <https://www.facebook.com/gipsyqueenssaporigitani/>

## **SLOVENIA**

### **Kafeneva restaurant**

The first Roma restaurant to be opened in Slovenia is called Romani Kafeneva. It is a pilot project in Maribor and it started in 2014 employing up to 15 people, mostly local Roma who had never had a job. They were educated at a local high school in a project organized by the local non-profit institution, EPEKA.

Nowadays Kefanava is a very famous restaurant with excellent comments about its services in websites such as Tripadvisor and is also presented in the official travel guide of Slovenia as an interesting place to eat.

Link: <https://euobserver.com/eu-elections/123908>

## SPAIN

### Uzipen

Another good example of entrepreneurship with Roma people as main actors and beneficiaries. UZIPEN is a fair labour society created and organized by Fundación Secretariado Gitano. UZIPEN is a social enterprise providing services within the field of cleaning, ancillary services, refurbishment and maintenance of buildings. They hold a professional and social commitment in the performance of their activities.

The setting up of this social business was in 2006, when it started as a project of integration and vocational re-training programme. The excellent results of the project in a very competitive sector have been recognized many times with awards as example of good practices from an entrepreneurship association and also as a way to show it is possible to create a successful company with a social action background and which help to redirect Roma social image and promote the social recognition of Roma culture.

Link: <http://www.uzipen.es/>

## ROMANIA

### La Tiganci

“La Tiganci” (The gypsies), Is the club restaurant where you can organize Rome-specific parties, book launches; launches of various activities and initiatives of Roma organizations.

“La Tiganci”, The Rome-specific restaurant is located in Bucharest in sector 1.

Restaurant "La Tiganci" has a total of 12 employees of all Roma, chefs, waiters, and ambient orchestra.

Club "gypsy" Club Restaurant promotes in general the culture and traditions of Roma from Romania and is an example of good practices of a Roma organization.

Link: <https://www.facebook.com/latiganci/?fref=ts>

Other activities often considered mainly by Roma women relate to **catering, laundry and ironing services**; while many young Roma are considering a job in the fields of **nurseries and urban agriculture**.

Low Cost Business Ideas:

- Catering

- Take- away (meal to to preparation)
- Alterations and sewing
- Cleaning services for homes and businesses
- Senior citizen assistance (elderly care)
- Flower shop
- Arts and Crafts
- Gardening service
- Babysitting
- Knitting, crocheting or quilting

## Keys to success

There are many critical issues that such an ambitious project such as the creation of a social enterprise has to deal with. Therefore It is important for an individual to have a business plan, and clearly articulate:

1. The mission of your social enterprise
2. The outline of specific actions to achieve your goals and objectives
3. Establish targets for planning, measuring and improving performance
4. Project the necessary resources, costs and revenues of your program

The first is certainly the finding of the initial budget to build the company's starting capital. It is important to get rid of any expendable resource before starting an activity of this type. Depending on the type of business, one must be financially able to support the initial fixed capital and setting-up costs and, therefore, have the right number of employees and tools to complete the work.

Another major difficulty that must be faced is the lack of work orders. Making a clear agreement between the institutions and social enterprises, is a major step to ensure the work orders. The problem is that large companies that look on profit can afford to make extremely competitive prices. At this point company's social importance must be underlined, therefore, will not be limited to the performance of the given contract but will leave behind a number of benefits and immeasurable social links.



## **Helpful links and resources:**

[http://www.forthsectordevelopment.org.uk/documents/New\\_BusPlanGuide.pdf](http://www.forthsectordevelopment.org.uk/documents/New_BusPlanGuide.pdf)

<http://www.socialbusinessmodelcanvas.com/>

<http://www.hbs.edu/newventurecompetition/Documents/SE-TrackDevelopingSEBusinessPlan2015.pdf>

<http://www.hbs.edu/newventurecompetition/Documents/SE-TrackDevelopingSEBusinessPlan2015.pdf>