



International Social Entrepreneurship Conference

Istanbul, Turkey | 29 February • 1 March 2012

Final Report

Strategic Partner



Conference Host





International Social Entrepreneurship Conference

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Disclaimer

This report is published within the context of the International Social Entrepreneurship Conference (2012) and reflects the views of the participants and speakers at the event. The British Council, TACSO, the European Union and TÜSEV are not responsible for these views or for the content of this report.

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Preface

The International Social Entrepreneurship Conference was organised by the British Council, Technical Assistance for Civil Society Organisations (TACSO) and Third Sector Foundation of Turkey (TÜSEV), with support from strategic partner, Vodafone Turkey Foundation, and conference host, Kadir Has University. It took place in Istanbul, Turkey on 29 February and 1 March 2012.

The conference brought together 143 social entrepreneurs and supporters of social entrepreneurship from the Western Balkans, Turkey, Ukraine, Georgia and the United Kingdom (UK) and created an important opportunity for the development of social entrepreneurship, particularly social enterprise, in the region.

The objectives of the conference were to:

- Strengthen connections between social entrepreneurs from the region with social entrepreneurs from the EU, and particularly the UK.
- Strengthen relationships between social entrepreneurs and those supporting the development of social entrepreneurship in the public, private and civil society sectors.
- Facilitate exchange of knowledge and best practice in social entrepreneurship.
- Improve awareness of the potential role that social entrepreneurship can play in the region.
- Widen and improve the regional network of social entrepreneurs.

From this link, [International Social Entrepreneurship Conference, Istanbul 29 February-1 March 2012](#), readers who are looking for more information about the event can access the conference agenda, final list of participants, plenary session PowerPoint presentations, conference evaluation results, a list of workshop facilitators and participants and a brief report on conference communications.

Readers who prefer to read a quick summary of the main outcomes of the conference should go straight to the section entitled "[Conference Outcomes](#)".

This report was prepared by Zelah Senior, Civil Society (Capacity Building) Expert, TACSO, based on notes taken by TACSO and British Council staff at the event. The report has been agreed with all partners.

British Council, TACSO and TÜSEV, April 2011



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Welcoming remarks



Prof. Mustafa Aydın, Rector, Kadir Has University warmly welcomed participants to Kadir Has University. He underlined that Kadir Has University places high importance on social entrepreneurship: it has recently established a Social Entrepreneurship Academy under its Life Long Learning Centre, with support from the British Council, and 11 participants have now graduated from its first certificate programme. Prof. Aydın also emphasised the importance of networking, and he encouraged social entrepreneurs from Turkey to develop their own local and regional networks, and get in touch with networks of social entrepreneurs in the EU and other parts of world to develop networks of networks. He also emphasised the role social entrepreneurs can play in helping to overcome problems such environmental pollution, climate change, child labour and gender equality, as well as the contribution they can make to establishing peace.

Mr. Andrew Picken, Project Director of Skills for Social Entrepreneurs, British Council UK delivered a welcoming speech on behalf of Ms. Margaret Jack, Director, British Council Turkey, who was unable to attend the conference because of bad weather conditions. He began by saying that the idea behind most business activity is to earn profits that can be paid to the shareholders who invested in the enterprise in the



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first place. The difference with social entrepreneurship is that the profits are ploughed back into local communities. Mr. Picken described the origins of social entrepreneurship in the UK and how social enterprise is now big business in his country, where 62,000 social enterprises account for five percent of all British business, employ more than 800,000 people and generate around £24 billion for the British economy every year. Social enterprises are now seen as a cost-effective and inclusive way of delivering services to communities and to those in need across society. The British Council is sharing the UK's experiences and developing two-way partnerships in this field through its global partnership programme, which was initiated with social enterprise partners in the UK, and is currently being implemented in the high-growth economies of East Asia and Eastern Europe.

Mr. Robert Nelson, DG Enlargement, European Commission began his speech by describing how DG Enlargement has been supporting the TACSO project in its work to support dialogue between civil society, the government and private sector in the Western Balkans and Turkey. He went on to outline how the European Commission views social entrepreneurship as an important means of bringing about social change. Mr. Nelson also emphasised the opportunity provided by this conference to discuss how social entrepreneurship can strengthen the role of civil society organisations (CSOs) in the development of the social infrastructure of the so-called “candidate” and “pre-candidate” countries, as well as to discuss social business as a model for supporting growth and employment. Mr. Nelson continued by briefly describing how, in October 2011, the European Commission adopted the “Social Business Initiative” (SBI), established to create a favourable system for enterprises to flourish in the social economy. The SBI provides a short-term action plan to stimulate the creation, development and growth of social businesses. It tries to take into account the diversity of economic structures, cultural traditions and legal frameworks in the 27 EU member states and eventually it will also include the Western Balkan region, Georgia and Ukraine. He also briefly mentioned the “Erasmus for Young Entrepreneurs” programme, saying that, until now, this programme had been a cross-border exchange programme for applicants from EU Member States, designed to give new or aspiring entrepreneurs the chance to learn from experienced entrepreneurs in other EU countries about how to run small businesses. This programme has now been extended to applicants from the Western Balkans, Turkey and some other countries.

Ms. Karin Schulz, Director, Development Consulting, SIPU International/TACSO Project briefly introduced TACSO, describing it as a regional project to strengthen the capacity and the democratic role of CSOs in the Western Balkans and Turkey. She described how this conference was part of TACSO's efforts to strengthen dialogue between civil society, the government and private sector and would be followed up by national activities focused on social entrepreneurs at the national level. Ms. Schulz added that she recently read an article about a Swedish project involving social entrepreneurs focusing on promoting the right of children and young people to play in Sweden, “Playing for change”. She noted how play is vital in children's life, and



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also how we need to continue to nurture and utilise our playfulness when we grow up to find new ways of solving social problems. She went on to say that the difference between business people and entrepreneurs is that business people “satisfy needs” and entrepreneurs “create needs” and find new solutions to problems. Ms. Schulz concluded by stressing the great impact that social leaders, who also think and act entrepreneurially, can have on our society today.

Dr. Hasan Süel, Chairman, Vodafone Turkey Foundation described how Vodafone wholeheartedly believes that tomorrow’s business world will be different from today’s business world. In the future, businesses that create value through prioritising social needs will win the hearts and minds of consumers. He went on to present how a social entrepreneur recognizes a social problem and uses entrepreneurial principles to organise, create and manage a venture to achieve social change. Dr. Süel added that the main aim of social entrepreneurship is to further social and environmental goals. Social entrepreneurs are most commonly associated with the voluntary and not-for-profit sectors, but this need not preclude making a profit. He stressed that Vodafone believes that its innovative products and services can make a significant difference to people’s lives around the world. He went on to present how the Vodafone Group Foundation supports the mobilization of communities around the world to improve their lives. To achieve this objective, the Foundation uses its charitable giving and its privileged access to Vodafone networks, technology, customers and employees to empower people with the necessary tools to deliver social change. One of 27 Vodafone foundations all around the world, the Vodafone Turkey Foundation represents Vodafone Turkey’s strong commitment to be a socially responsible corporate citizen. With the principle of “reaching the excluded”, the Foundation focuses on the social inclusion of the “disadvantaged”. It works with public authorities and NGOs to support socially excluded people to become active members of society. Its projects aim to help build a well-educated and well-equipped society and contribute to Turkey’s digital transformation. The Foundation also supports the growth of social entrepreneurship in Turkey. To date, the Foundation has proudly touched the lives of over three million people.

Prof. Üstün Ergüder, Chairman, Third Sector Foundation of Turkey (TÜSEV) described how, today, we are facing complex social, environmental, political and economic problems such as social exclusion, climate change, unemployment and poverty. Neither CSOs nor businesses are able to solve these problems with a single bottom-line approach. He went on to present how we now live in a world where companies are becoming more socially and environmentally responsible and CSOs blend their social perspectives with commercial entrepreneurship and business principles. Prof. Ergüder added how social enterprises have emerged as a new model at this convergence of social and economic needs and now present a new tool for social change and development. Prof. Ergüder briefly described TÜSEV’s main mission to create a more vibrant civil society in Turkey, stating that, since its establishment in 1993, it had become a cross-sectoral network of more than 100 organisations. TÜSEV places a high value on international and national links and



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promotes transnational dialogue and cooperation, as well as new models and mechanisms that will enable Turkish CSOs to achieve their goals – one of these new models is social enterprise. Prof. Ergüder outlined how TÜSEV had been working in partnership with the British Council over the last two years to support the development of social enterprise in Turkey. The project, focusing on information sharing, awareness raising, advocacy and networking has involved almost 350 stakeholders from the public, private and civil society sectors in its discussions and consultations. Prof. Ergüder ended his speech by stating his hope that this conference would inspire CSOs and individual entrepreneurs to start or develop social enterprises and become more innovative in their approach to addressing social problems.



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Plenary Session: New Trends and Developments in Social Entrepreneurship



This session was moderated by Ms. Didem Altop, Managing Director, Endeavor Turkey. Speakers included Mr. Peter Holbrook, CEO, Social Enterprise UK, Dr. Volker Then, Managing Director, Center for Social Investment, Heidelberg University and Mr. Filippo Addarii, Director, EUCLID Network. The PowerPoint presentations used by the presenters can be found in Annex 3.

Ms. Altop opened the session by underlining the current trend of converging business for profit and social benefit. She said that while maximising shareholder profit was the manifesto of the 1980s and 1990s, the current manifesto focused on maximising shareholder profit and optimising shareholder values.

Mr. Holbrook began his presentation by introducing the work of Social Enterprise UK (SE UK), which is the national body for social enterprises in the UK. SE UK is a membership organisation with 9,000 members. It



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works with various UK government departments including the Cabinet Office, Department for Business, Innovation and Skills, Department for Health, and Department for Environment, Food and Rural Affairs.

According to February 2012 government statistics, there are now 68,000 social businesses in the UK, which shows an increase from 62,000 when the last government statistics were published. Mr. Holbrook gave the following definition of a social enterprise, which is used by SE UK: "Organisations whose stated primary objective is to achieve social impact, rather than generating profit for owners and shareholders". He commented, however, that too much time has been spent on trying to agree on a definition of social enterprise, rather than on achieving impact.

SE UK tries to influence the UK government to view social enterprise as part of the business sector, rather than the civil society sector. In addition, SE UK is also working to influence the work of organisations like the IMF, World Bank, and the UN with the aim of making social enterprise a mainstream component in their different strategies.

Mr. Holbrook described how one of SE UK's successes has been to mainstream social enterprise so that it is not a political issue, but something that is regarded as desirable across the political spectrum. In the last UK election, all political parties referred to it in their manifestos. Furthermore, during the annual Queen's speech to Parliament in 2010, she made a reference to the role of social enterprises, charities, and social cooperatives for the first time. The UK government's Big Society Manifesto – which sees a key role for citizens in running their communities, as part of the UK government's focus on localisation¹ - envisages a driving role for social enterprises in delivering public services. Social enterprise is seen as an important vehicle for innovating new responses to social needs. In addition, through a government initiative called Big Society Capital, £600 million will be invested into social enterprise.

SE UK has been campaigning for a Public Services Social Value Act (law) for some years. The Bill (draft law) is currently in the final stages of being considered by the British parliament. When it is enacted, this law will contain an obligation for companies contracted to deliver public services to take into account how to generate maximum social and environmental impact when tendering for and delivering those services. This is quite a significant change in the UK. Effectively it means that, when state spending decisions are made, decision-makers will not only have to consider the costs outlined in the tender documents, but they will also have to consider the social and environmental value that the tenderer promises to deliver.

In the UK, as elsewhere in the world, there is growing frustration about the upward distribution of wealth. People would like to see wealth being shared more equally and SE UK sees social enterprises as a way to achieve this. Social enterprises are now becoming a much bigger player in the world economy, and are



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growing and expanding into international markets, and becoming a real alternative to big multinational companies.

Mr. Holbrook mentioned some outstanding social enterprises in the UK:

- P3 – which works with ex-offenders. It has recently been selected as a best employer and best company to work for in the UK.
- Coin Street – which has 16 acres of land in London, and provides social housing. The change in the community where this social enterprise is based is remarkable.
- PM Training – which changes the lives of thousands of young people every year by providing training.
- HCT Group – A bus company, which provides bus services throughout London. They also provide training to excluded people to become bus drivers.
- The Cooperative Bank – A highly successful bank that conducts its business in a socially and environmentally responsible manner and is also consistently profitable.

He also mentioned some other notable social enterprises in Europe, including Mondragon, a corporation and federation of worker cooperatives based in the Basque region of Spain, which has an annual turnover of £14 billion. In the recent economic crisis, they did not make any of their staff redundant.

Mr. Holbrook finished his presentation by saying that these examples show that the social enterprise sector is more diverse than the traditional corporate sector, representing communities more effectively and showing greater resilience in times of economic uncertainty.

In the question and answer session that followed Mr. Holbrook's presentation, participants asked, and received responses to the following questions:

Q: How will you measure the impact of the Public Services Social Value Bill (draft law)?

A: This new law is a very new development. We will define the ways of measuring its impact more clearly during implementation.

Q: How do you see the role of big corporates - especially within the context of the localisation agenda?

A: To be in the social enterprise sector, you have to be an optimist. It is necessary that power should be devolved down to the local level. Large corporates will have to adjust and they will have to learn to act as “eco-systems”. This change is already happening. For instance, Unilever is already recognising that they need to adapt themselves and operate more locally. This change will be driven by consumers. It will take some time, probably generations. But it will happen.



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Ms. Altop then introduced the next speaker, by asking a question about the role of competition in social entrepreneurship.

Dr. Volker Then began his presentation on social investment by describing the situation in Germany, which has a strong tradition in philanthropy and civil society. At present, the total turnover for non-profit organisations in Germany is 4.1 percent of the total business turnover. When it is considered that the German car industry has a turnover percentage of 4.1 percent, it is clear how significant this figure is. Many big corporates are now adopting social business-type models as market niches, because they realize that there is customer demand for them. Dr. Then defined social investment as “any private resources invested for the public good”; underlining that social investment creates economic value and also expresses cultural and social values.

He moved on to discuss the concept of organisational hybridity, i.e. how different organisations can use different combinations of not-profit (social oriented) models and for-profit (revenue oriented) models. Each organisation must make a strategic decision as to which logic they use, and to what extent they use it, when implementing each of its activities.

Dr. Then also said that it is important to acknowledge that market failure is a fact of life. Many social enterprises (and other types of organisations) will fail; however, it is important to recognise that some of these will have played an important innovative role, even if they are not successful as a business.

Dr. Then moved on to explore the role of social enterprises in the context of the German welfare state, noting that, despite the fact that Germany has a well-functioning welfare state, the state has limitations in the extent to which it can deliver the services that people need. This creates a quasi-market in which citizens pay for and receive services and entitlements. This quasi-market is characterised by regulated prices and regulated quality standards, however it is a competitive market, in which service providers from all three sectors compete for customers. In Germany, most social enterprises are more than 20 years old. Seventy-five percent of their annual revenue comes from public subsidies; and only 25 percent is direct revenue from their clients. This quasi-market provides social enterprises with a balance between the security of long-term funding, and the need to compete and become increasingly innovative and, de facto, act as the research and design laboratory of the welfare system. He described how, in the German system, crowd-funding² is important in years one to five of a social enterprise's development; public funding as being fundamental in years six to ten; and the welfare system as way of ensuring its continued development after year 10. There are, however, some notable exceptions to this pattern: for example, social enterprises specialising in fair trade, renewable energy, organic food and ethical banking attract their main revenues from their customers.



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Dr. Then concluded his presentation by underlining that, in the German system, it is important for social enterprises to develop from a role purely based on innovation to a regulated market role (but still driven by innovation), i.e. that they find a niche as a service provider in the regulated welfare state quasi-market. He emphasised the importance of finding a place within value-driven markets, with close links to social movements.

Dr. Then emphasized that measuring social impact is a complex issue, because it does not show up in the accounts but manifests itself in large cost-savings in society. In order to be accurate, impact assessment should cover four areas: 1. economic value 2. socio-economic value 3. political value and 4. cultural value.

In the question and answer session that followed Dr. Then's presentation, participants asked, and received responses to the following questions:

Q: You mentioned that a welfare state should be in place to support social enterprises. What advice do you have for social entrepreneurs in post-communist/socialist, newly capitalist societies? It seems to me that the concept of social entrepreneurship is like a movement from capitalism to communism.

A (Dr. Then): Until five or seven years ago, we did not use the term “social entrepreneurship” in Germany. The debate first started in Germany when the US and UK organisations started to talk about the concept of social entrepreneurship. We realised that we had been using this model for years, in the form of citizens' initiatives. The trick is to find the hybrid model of CSO and business that works in your context, ideally one that neither relies 100 percent on the welfare state, nor on the market. It is clear that the state cannot provide all the services it should in your countries, but neither can most individuals pay the price of all the services they need. It is in this space that social enterprises are most likely to develop.

A (Mr. Holbrook): The development of social entrepreneurship is a process, which takes some time. During Margaret Thatcher's time (1979 - 1990), the UK speedily moved into a market economy that operated in the best interest of shareholders and owners, rather than society in general. Tony Blair mentioned social enterprise in his first speech in 1997.

Markets need to be regulated. Markets should work for people rather than people working for the market. Social enterprise is neither based on communism nor on the free market. It is a hybrid, combining what works for citizens with the regulation provided by the market. We can see social enterprise as being a result of market failure, e.g. in places like Detroit, USA, which were badly hit by job losses in recent years, we are now seeing social enterprises blossoming.



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A (Mr Addarii): It is important for social entrepreneurs in post-communist/socialist states to draw on the resources of trans-national networks, through which they can access know-how and other support from social entrepreneurs in other countries to meet the challenges they are facing.

After the Q&A, **Ms. Altop** introduced the next speaker.

Mr. Filippo Addarii described social enterprise as being like building a boat: the innovator designs the boat; the entrepreneurs build the boat; and the manager keeps the boat afloat. He said that successful social enterprises combine people with a different set of skills/functions, draw on diverse resources, put ethics back in business, and have strong links to the community. Mr. Addarii cited the Basque example, describing how the region, which had been torn with conflict and poverty in the past, has now become one of the most successful economic areas of Europe, largely due to its use of the social enterprise model. Strong links with the community are key to successful social enterprise. The community provides economic, social, environmental and cultural resources; it also connects with the broader system and provides resilience in times of failure.

Mr. Addarii described the old and new schools of thinking on social enterprise, describing how debates between these schools are currently taking up a lot of the time of European officials. The old school of thinking was based on collective entrepreneurship (cooperatives), with value proven by public bodies and universities. The new school is based on the individual social entrepreneur, who takes risks in order to achieve high impact.

Mr. Addarii then went on to consider what social enterprise means for the European Commission. The EU launched the Social Business Initiative (SBI) in 2008, remarking how the EU uses the term “social business” to describe social enterprise. The creation of this initiative coincided with the beginning of the most recent economic crisis in Europe. The aim of this initiative is to provide a broad (i.e. not overly prescriptive) framework designed to enable the development of social business in member states, in accordance with the local environment. The idea is that this framework should support organisations whose mission is to create public good, which show a high level of social innovation, which mainly reinvest their profit in their communities, and which have democratic/inclusive governance or ownership.

Social enterprise is increasingly becoming a priority in European Union funding programmes, e.g. the Social Investment Fund. There are two different schools of thought on funding social enterprise. The first, espoused by Muhammed Yunus, makes it clear that there is no return on investment for investors, and is based on a charity approach. This model is not attractive to corporate investors and other corporate stakeholders. The second, espoused by Sir Ronald Cohen, is a commercial approach. Sir Ronald argues there should be a return on investment so that a social enterprise has the capacity to attract investors.



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The EU also has an important role to play in terms of raising visibility of social entrepreneurship. For example, though the Erasmus Programme for Young Entrepreneurs, which provides a subsidised exchange programme for new entrepreneurs, and which now extends to the Balkans, Turkey, Ukraine and Georgia.

Mr. Addarii finished his presentation by outlining some trends in social entrepreneurship. The first trend is that, in the 21st century, civil society will increasingly embrace the social enterprise model, because it provides the chance of increased financial sustainability and independence. The combination of high youth unemployment and the decline of public funding will mean that an increasing number of young people will move into social enterprise. The second trend is that there is a growing trend for civil society – multinational corporation partnerships (e.g. WEF, Deloitte, Vodafone). The third is the development of a new financial market, the social investment market, which JP Morgan recently estimated as having a potential value of up to USD 1 trillion. The fourth is the development of crowd-funding, through which ICT serves as a medium for fundraising (e.g. Kiva, Virgin Money Giving).

In the question and answer session that followed Mr. Addarii's presentation, participants asked, and received responses to the following questions:

Q: What will happen to corporate social responsibility (CSR) as social enterprise develops?

A (Mr. Addarii): CSR has been misused by some corporations, which lie about their social and environmental impact. However, in some cases, CSR has been used to change the whole culture of a corporation.

Q: If a corporation embraces CSR wholly, does that mean it has become a social enterprise?

A (Mr Holbrook): No, it does not. Corporates will change and adapt to market changes. You will see more cooperative companies, but in the end the drive for corporate dividends is essentially different from the drive to make a difference in the community.

A (Dr. Then): In the end, it is up to the shareholders whether the corporation becomes a social enterprise or not. If the shareholders are prepared to reinvest profits into the community, then it is a possibility. However, we have to bear in mind that shareholders are increasingly large businesses, rather than individuals.

A (Mr Holbrook): Most often, companies move in the opposite direction, e.g. the Body Shop, which started off as socially driven, but which lost that social passion and investment as it grew.

Q: As a Turkish social entrepreneur, I can say that this is one of the best conferences I have attended in the area of social entrepreneurship for the last few years. It is an eye-opening event. My question is about the



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role of government: What are your suggestions for ways in which we can open up the minds of the Turkish government so that they understand the value of social entrepreneurship? In particular, how can we persuade them to give us tax breaks, based on the fact that our work has positive social impact.

Q: I would like to thank the organisers for organising such an excellent event. Based on this morning's presentations, I think the power of SE comes from the fact that it is rather an elusive concept in the Anglo-Saxon system. However, in the Turkish context, where we have a strong French influence on public administration, we have rigid rules and we feel as if we need strict regulations. I am a government official, and would like to learn what the government role should be in supporting social enterprise. Do you have any advice on how to deal with this issue at the local and regional levels?

A (Mr. Holbrook): The first UK government social enterprise strategy was launched in 1997, and SE UK was established in 2002, and has played a pivotal role in working with the government to create favourable environment for social enterprise in the UK. The key thing is to lobby for the government to remove barriers to social enterprise and create a level playing field in which there is space for diverse business models, but not to expect special treatment (e.g. tax breaks). In order to lobby on these kinds of issues, it is important to gather supporters; creating an umbrella organisation for social enterprises (like SE UK) has proved very important.

A (Dr. Then): The key thing is to get a balance between using a “stick-approach” (establishing legal frameworks to prevent free-riding) and a “carrot-approach” (incentives which are developed on the basis of real needs). In addition, you need to make the debate on social entrepreneurship more visible in society and amongst politicians.

A (Mr. Addarii): Social entrepreneurs should treat government as a client. They should identify their needs and priorities and target their communication to meet those needs. Governments should listen and experiment. They should listen to peers in other governments, as similar things are being developed in different countries. They should also listen to social entrepreneurs in their own countries.



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Plenary Session: The Future of Social Entrepreneurship in the Region



This session was moderated by Ms. Servane Mouazan, Founder and CEO, Oguntê. Speakers included Mr. Melih Özsöz, Co-Founder, Çöp(m)adam, Mr. Matthias Scheffelmeier, Ashoka Turkey Country Coordinator and Mr. Zoran Puljic, Director, Mozaik Foundation. The PowerPoint presentations used by the presenters can be found in Annex 3.

Ms. Servane Mouazan opened the session by briefly summarising some of the main points that had been discussed the previous day: that there is space in the social enterprise sector for small businesses as well as for bigger ones; that success depends on combining resources and creating a hybrid model that best suits the purpose of that organisation; and on the importance of establishing good relations with all players in the local community. She briefly introduced the work that her organisation, Oguntê, does, as a Social Innovations Development company focused on women-led social ventures. She described the seven criteria necessary for long-term innovation: the ability to be challenging, curious, collaborative, cross-generational,



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culturally-inter-connective and courageous, as well as the need to stretch boundaries and move beyond the space that we habitually live in, even if the people around you feel uncomfortable as you do so.

Mr. Melih Özsöz opened his presentation by describing how he and his co-founder of Çöp(m)adam, Tara Hopkins, developed a social enterprise which provides women who have never worked before with the opportunity to manufacture bags from waste materials. He described how he did not come from a business background, and how the enterprise does not have a formal business plan. The project started when Tara Hopkins saw Mexican prisoners weaving trash to make bags. She decided to replicate the project in Turkey, but, seeing as it was very difficult to do it in prisons, she and Mr. Özsöz decided to work with women in rural parts of Turkey, who never worked before. The social enterprise was established in August 2008 in a small workshop in Ms. Hopkins' back garden. Today, Çöp(m)adam has three workshops employing 300 women. Mr. Özsöz described how, although 50 percent of the Turkish population are women, only 30 percent work. In addition, Turkey produces a lot of trash, so the project provides a way of addressing two problems: women's disempowerment and waste.

Mr. Özsöz went on to say that, at the beginning of their project, he and Ms. Hopkins drafted a list of companies to approach as sources of waste materials. They approached Unilever, which expressed interest in supporting the project. Forty-five tonnes of Unilever waste has been recycled since August 2008, mostly pre-industrial packaging waste. It is a win-win relationship because the cost to Unilever of disposing the garbage is much higher than the cost of the support it provides to Çöp(m)adam. In addition to Unilever, the project now has many local sponsors, because businesses are starting to realise that this kind of work is good for their image.

Mr. Özsöz described how social impact is at the heart of their project. Çöp(m)adam currently works with 150 women, and, since 2008 has worked with a total of 500 women. Each woman is paid in cash on the basis of how many bags they have made. This means that a woman can earn between 30TL to 1,500TL a month depending on how many bags they make. However, at present, Çöp(m)adam is currently not profitable enough to pay social insurance for most of the women workers. To date, 9000 bags have been produced, 8000 of which have been sold.

Mr. Özsöz noted that Çöp(m)adam works with chain stores which sell bags in Turkey. It also does online sales, and exports the bags to Greece, Australia, USA and Russia. The enterprise currently produces 14 different styles of bag. It has won awards for one of the best social enterprises in the world and receives good media attention.

Mr. Özsöz ended his presentation by outlining the intention to make Çöp(m)adam a profitable company, but admitted that they are not there yet. At present, any surpluses still need to be reinvested in the business.



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However, the need to make a profit is an important part of keeping up their motivation for running Çöp(m)adam. He ended by noting that social enterprises like Çöp(m)adam would greatly benefit from more government incentives aimed at supporting this emerging sector.

In the question and answer session that followed Mr. Özsöz's presentation, participants asked and received responses to the following questions:

Q: What do you do with your own trash? Does Unilever's sponsorship prevent other companies from working with Çöp(m)adam, e.g. through exclusivity clauses?

A: In relation to the first question, Çöp(m)adam also works with its own trash, and they also work with people who collect trash from rubbish bins. Sometimes people ask Çöp(m)adam to make items from their own trash. In relation to the second question, Çöp(m)adam originally had a contractual agreement with Unilever which stated that they could not work with other corporates. However, now their agreement permits them to work with companies that are not Unilever's direct competitors. Çöp(m)adam has also found an innovative way of working with companies with which Unilever does not want them to associate: they have opened up another social enterprise to deal with CocaCola.

Q: There is a similar company in the UK, which employs refugee women. This is run as a cooperative – the workers actually own the company. Does Çöp(m)adam plan to do this?

A: This is a good idea, but it is not planned at the moment.

Q: Is this a business or PR campaign for Unilever? After doing the math, it appears that each woman employed by Çöp(m)adam produces only 16 bags a year.

A: Çöp(m)adam is a business and not a PR campaign, and its main focus is social impact. Çöp(m)adam works in rural areas; its purpose is to give women who have never earned their own income the chance to do so, but without causing a major disruption in their lives. They are not trying to get women into business, but aiming to empower the women. Çöp(m)adam is not about the volume of goods produced; it's about changing the mindset.

Q: Does Çöp(m)adam collaborate with NGOs and other organisations?

A: Yes, Çöp(m)adam currently has more proposals for collaboration than they can handle. They are very open to collaboration, although it is important to find the right kind of partners.



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Q: You indicated that one bag sells for 80 TRL, but that you pay no social insurance for the workers. It seems to me that this is a good business for the founders of Çöp(m)adam, but not such a good business for the women workers.

A: At present, Çöp(m)adam pays for the social insurance of 28 workers, but it is just not possible at the moment to pay the social insurance for the other workers. This is something that we wish to change, in cooperation with the government. However, we should not forget that Çöp(m)adam is already changing the mindset of women and their families in rural Turkey. That is priceless.

After the Q&A, **Ms. Mouazan** introduced the next speaker, Mr, Matthias Scheffelman. Mr. Scheffelman stepped in for Ms. Marie Ringler, Ashoka Austria Country Representative and Central and Eastern Europe Director, who was unable to attend the conference.

Mr. Matthias Scheffelman began his presentation by introducing the work of Ashoka to identify and support social entrepreneurs. He described how Bill Drayton, founder of Ashoka, set out to look for people who are trying to find new ways to approach old problems. Ashoka fellows have now been identified in over 70 countries, and there are currently 173 Ashoka fellows in Eastern Europe, out of which 37 are based in Turkey. Ashoka fellows are working on ground breaking projects such as training rats to detect land-mines in Mozambique, training blind women to diagnose breast cancer in Germany (following research showing that blind women can detect breast cancer more effectively than a mammogram) and ensuring the sustainability of the fishing industry whilst increasing the level of local income in the rural area of Turkey by changing the way that income is generated in the local community.

Mr. Scheffelman described how Ashoka believes that social entrepreneurs should be identified early, and provided with support for three years, so they can focus on developing their idea, and getting their initiative going without worrying about how to support themselves during that start-up phase. Ashoka also supports its fellows to develop partnerships and network with potential supporters and collaborators from different sectors. He described how, a recent survey of Ashoka fellows revealed that 94 percent of Ashoka fellows are still active and pursuing their original objective 10 years after being identified by Ashoka; 93 percent of Ashoka fellows' ideas are being replicated in that timeframe; and 85 percent of Ashoka fellows have succeeded in changing government policy within 10 years of first receiving Ashoka support.

Mr. Scheffelman went on to identify six current trends in social entrepreneurship:

1. The development of off and online networks and communities; which are bringing accessibility and inclusivity to social change, for example the change makers Web site www.changemakers.com, and www.kickstart.com.



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2. The development of hybrid business, as a result of social value chains dissolving traditional divisions between what is perceived as business and what is perceived as social. For example, the HILTI foundation in India, a foundation established by a building company, which works together with citizens and government to build 15,000 new homes in one year.
3. Social innovators are seeking to scale ideas, not organisations. Their goal is to change the system so that the social entrepreneur becomes obsolete.
4. A move towards a more empathetic, cross-sectoral approach to social innovation and development. In the past, successful social progress happened when a revolutionary, charismatic leader mobilised the masses to pursue his or her large-scale vision for change. The new trend is to work as part of extended social networks formed around a social problem and to bring global exposure to everyday people—‘micro-heroes’—and their innovative, replicable strategies for change. Promoting social change now focuses on building systems that can efficiently and effectively source and promote innovations from large communities of people.
5. Collaborative consumption marketplaces are calling into question the need for ownership of goods and services, and even the use of traditional currency. Increasingly, people want to exchange goods and not to pay for them, or to exchange services, for example www.zumbara.com, a time bank focusing on knowledge exchange. This trend is very new, and we do not yet know how it will develop.
6. Like never before in history “everyone can and should be a change maker”. It is important to teach youth to play their role in promoting social change, and coming up with new and innovative solutions. For example, Ashoka has started Ashoka Youth Venture³, a youth-focused programme designed to create spaces where students are empowered to make change.

In the question and answer session that followed Mr. Scheffelman's presentation, participants asked and received responses to the following questions:

Q: What type of business plans are you looking for when selecting Ashoka fellows? What kind of activities do you support?

A: Ashoka does not support any specific business models; instead it looks at identifying change makers with the power to have a significant and systemic impact on society. Ashoka fellows may run businesses, but they may also work for an NGO or another type of organisation. It does not matter. The important things that Ashoka looks at are the kinds of problems the entrepreneur is trying to resolve, the nature of the solution s/he develops and the potential impact of that solution.

Q: What is Ashoka's policy for setting up in a country? I know that Ashoka is not active in my country, Ukraine.



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A: Ashoka would like to support social entrepreneurs in every country, although they will never be able to have offices in each country. Expansion into new countries takes some time, as Ashoka needs to raise money, develop partnerships, etc.

Q: All the stories you presented were successful, but surely there must be many failures too? Do you have a theory of how Ashoka fellows promote systematic social change? Looking at individual success stories is one thing; but we need to have a theory behind them.

A: I presented success stories to inspire people, but of course there are also many failures. There is definitely room for constructing theories of how to promote systematic social change; however Ashoka's focus is on building a network of social entrepreneurs and supporting them to construct new social systems.

Q: What is the difference between international development programmes and the kinds of activities that Ashoka supports?

A: The difference is in the Ashoka fellows' entrepreneurial spirit and their willingness to take risks to achieve social change.

After the Q&A, **Ms. Mouazan** introduced the final plenary speaker.

Mr. Zoran Puljić began his presentation by describing how the hookworm parasite affects a huge number of people in the world, largely in areas of South America and Bangladesh where people do not wear shoes. Social entrepreneur, Muhammad Yunus, has been working with Adidas to produce good quality shoes for children as part of the Reebok brand for USD 1 a pair, thus removing the dependence on donor funds of communities affected by the parasite. Mr. Puljić then went on to outline the seven principles on which the Grameen Bank (founded by Muhammad Yunus) has developed its approach to social enterprise:

1. Its business objective is to overcome poverty.
2. Its goal is financial and economic sustainability.
3. Investors should only get back the amount they invested in the enterprise and no more.
4. When all investments have been paid back, profit should stay with the company in order to support expansion and improvement.
5. The enterprise should operate in an environmentally conscious manner.
6. The workforce should get a market wage.



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7. Do it with joy!

Mr. Puljić went on to compare the British model for social enterprise with the Yunus model. He outlined how the SE UK model (which was presented in the conference's first plenary session) sees social enterprises as builders of social, as well as financial, capital and providers of essential, cost-effective services for the public sector. In this model, distributing profits to shareholders is not a priority; the majority of profits are reinvested. This means that resources remain rooted in the community, creating multiplier effects when spent. Under the Yunus model, social business is a cause-driven business. In a social business, the investors/owners can gradually recoup the money invested, but cannot take any dividend beyond that point. The purpose of the investment is purely to achieve one or more social objectives through the operation of the company, and no personal gain should be desired by the investors.

Mr. Puljić briefly introduced the structure of his organisation, the Mozaik Foundation, registered as a non-profit body in Bosnia and Herzegovina, which has created two for profit companies: EkoMozaik Ltd, and Mašta Agency Ltd. He showed a short video demonstrating the work of EkoMozaik Ltd to bring business opportunities (through a greenhouse producing seedlings, vegetables, flowers and honey) into a community in Bosnia and Herzegovina (Šehovići) which had been torn by conflict and in which there is high unemployment: <http://www.youtube.com/watch?v=8GWfhG4oHbM>.

Mr. Puljić moved on to say that, although we should learn from the experience of developing social enterprises in other countries, no countries are the same and it is important to develop a model for social enterprise that works in each country, bearing in mind the legal framework, level of corruption and social situation, amongst other things.

Mr. Puljić finished his presentation by forecasting that, in the next 10 years, the prices of fuel, food and water will increase substantially, and we will have to learn to manage this situation. However, in the midst of all these challenges, he sees a clear role for smaller operations, and predicts that the future for social enterprises is very bright.

In the question and answer session that followed Mr. Puljić's presentation, participants asked and received responses to the following questions:

Q: Erecting a greenhouse is a huge capital expenditure; where did you get the capital to set up the greenhouse? What are your markets and how much income do you generate? Do you have any external funding?

A (Mr. Puljić): Ten years ago, when the Mozaik Foundation was established, there was a general lack of understanding about what they were trying to achieve. However, Mozaik managed to attract a 400,000



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Euro investment from the Czech government and USAID and received a loan from Spaarkasse, which helped the whole project get underway. The produce from the greenhouse is sold in the BiH market, because, for example, the Šehovići honey would not be competitive in a foreign market where honey prices are lower. EkoMozaik did not make a profit in 2011, but the cash flow is good. The most difficult challenge has not been cash flow or investment; it has been finding skilled wo/manpower in Šehovići.

A (Mr. Scheffelman): The issue of finding the right talent and good people to work with is also the major challenge that Ashoka faces.

Q: In the Balkans we have a trend of connecting social entrepreneurship with the non-profit sector, but yesterday, we heard presentations about the social enterprise model in the UK. Is it possible to develop social business in the Balkans?

A (Mr. Puljić): It is, but we need to develop the awareness of the government and other potential supporters (e.g. banks) about why this sector is important, and how they can support it, e.g. by providing incentives to help support the growth of social enterprises or providing loans for start-up capital. I think we should use the donor money that is still left in the Balkans to help us do this. On the subject of incentives, I want to add that I think it is crucial that social enterprises should pay taxes, principally to avoid the sector being tainted with corruption. The fact is that, if you offer tax deductions for social enterprises in a corrupt country, everybody will establish a social enterprise, whether their intentions are socially oriented or not, and that will ruin the sector before it even gets on its feet. In addition, we need to remember that social enterprises need to be viable businesses. They need to be competitive and produce well-priced and good quality products. The reality is that, at the moment, the majority of our consumers do not care whether those products are produced by a social enterprise or not.

Q: Are we avoiding talking about the politics of organising businesses and their ownership? What are the new ideals? How can we reconcile the different discourses between old (traditional) countries and new (developing) countries? Can social enterprise have a space in politics?

A (Mr. Scheffelman): We are all here because we care about finding solutions to social problems. We need to look at what are the problems and what are the solutions, and identify the different models that are being used to realise those solutions. Not every solution to a problem has a market, i.e. social enterprise does not provide the answer to every social problem.

At the end of the session, Ms. Mouzan asked the participants and plenary speakers to give some final comments on current challenges facing social entrepreneurs in the region. Final comments included:



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- Inequality is currently a huge problem and it is getting worse. Social enterprises based on common ownership offer one type of solution to this problem. How can we influence big industry to move towards ensuring that workers are also shareholders?
- Talent: how do we connect those with passion and foster their talent? How do we persuade more young people to come and work in this sector?
- How do we ensure access to capital and other sources of funding? One way of doing this is to persuade major donors, like the European Union, to use aid to increase government awareness about social enterprises, and provide direct financial support to social enterprises in their start-up phases.
- How can we stretch our networks so that we use them to think differently and develop more innovative solutions to the problems we face both in setting up and running social enterprises, and tackling social problems?



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Workshops using the World Café Methodology



Introduction to the workshops and the methodology

The aims of the workshops were to:

- give participants in the workshops the opportunity to discuss the eight topics that they had identified as being most important to them as they develop their work in the field of social entrepreneurship;
- share knowledge, stimulate innovative thinking and explore possibilities for action;
- conduct an in-depth exploration of the key challenges and opportunities for the future development of social entrepreneurship;
- engage people who are meeting for the first time in productive conversations; and
- create the intimacy of small group dialogue with the excitement and fun of larger-group participation and learning .



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Before the conference, participants who had confirmed their attendance at the conference were asked to select four topics from a list of 15, and the eight most popular topics were chosen as the topics to be discussed at the conference. Four topics were discussed on Day one of the conference, and four on Day two, and participants were asked to sign up for workshops on each day, to ensure a balanced number of participants in each workshop. A list of workshop participants and facilitators can be found in Annex 5.

The workshops were implemented using the World Café Methodology. The World Café Methodology is a simple, effective, and flexible format for hosting large group dialogue, and it integrates seven design principles: set the context, create hospitable space, explore questions that matter, encourage everyone's contribution, connect diverse perspectives, listen together for patterns and insights, and share collective discoveries.

The following five components comprise the basic model used to implement the World Café workshops:

- 1) Setting: A “special” environment was created, modelled after a cafe, i.e. small round tables covered with a checkered tablecloth, butcher block paper, coloured pens, and a vase of flowers. There were four chairs at each table.
- 2) Welcome and Introduction: The hosts of each café (on each day there were four cafés running simultaneously) began with a warm welcome and an introduction to the World Café process, setting the context and putting participants at ease.
- 3) Small Group Rounds: The process consisted of three or more thirty minute-long rounds of conversation for the small group seated around a table. At the end of the thirty minutes, each member of the group moved to a different new table, leaving one person as the “table host” for the next round, whose job was to welcome the next group and briefly fill them in on what happened in the previous round.
- 4) Questions: Each round was prefaced with a question designed for the specific context and desired purpose of the session. The three questions that were developed for each workshop were designed to gradually deepen the conversation. In each workshop, question one focused on defining what the group was talking about and the current situation; question two focused on the situation that they wanted to see in the future; and question three focused on the resources and action required to get to that desired state.
- 5) Harvest: At the end of each workshop, all the insights from each of the conversations were shared with all the conference participants in a gallery (thoughts that were generated in each workshop were displayed on notice boards). Participants were invited to read and comment on what had been discussed in their workshops, as well as in other workshops.



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Workshop Reports

The following section of the workshop report contains a summary of the insights from each workshop, grouped under the three questions that were discussed for that particular topic.

Workshop theme - Financing: How to connect investors and donors with social entrepreneurs?

Question 1: In what way are social entrepreneurs interesting to investors and donors now?

- Social entrepreneurs think about innovative and sustainable solutions to social problems. Investors and donors like to be seen to fund innovative products and services, especially if their impact is sustainable.
- The financial crisis has prompted everyone, including investors, to think about the good of the broader community as opposed to individual gain, and supporting social entrepreneurship provides investors with a way of tapping into this.
- Donors interested because their money reaches the poor: money given to government tends not to reach the poor, money given to social entrepreneurs does.
- Through investing in social entrepreneurship, investors can get closer to the community.
- Banks interested if social enterprises are profitable.
- Investors and donors are aware that they need to respond to consumer demand for more responsible distribution of wealth.
- Although this kind of investment often has low profit margins, it can have high reputational return. Success stories lead to positive marketing and PR for the investor as well as the social entrepreneur.
- The diversity of the social enterprise industry lends itself to diverse investment options.
- Social enterprise is particularly attractive to angel investors⁴
- Investing in social entrepreneurship is one way in which investors can prove their commitment to social responsibility.
- Some investors are attracted by public private partnerships.
- Some investors see social entrepreneurs as future clients.

Question 2: How can we create a common understanding between social entrepreneurs, investors and donors in the future?

- Social entrepreneurs research investors' and donors' areas of interest and target the ones most likely to support them.
- Social entrepreneurs share their stories and the real impact of their work with investors and donors and work with them to develop common values.



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- Social entrepreneurs develop good business plans to attract investors.
- Social entrepreneurs are upfront with investors about repayment of loans and the payout of dividends, balancing the needs of the investor to get a return on his/her investment with the need to reinvest capital in the social enterprise.
- Investors and donors think about financing social enterprises in phases.
- Investors, such as banks, see social enterprises as their future customers.

Question 3: What do we need to do to strengthen the connection between investors, donors and social entrepreneurs?

- Use media to increase general knowledge about the work of social entrepreneurs, their role in society and the impact of their work. Identify and use social investment champions to influence other investors to think seriously about supporting social enterprise.
- Develop clear methodologies for measuring the impact of social enterprises, and then publicise the results.
- Organise occasions for social entrepreneurs, investors and donors to get to know each other better and share lessons learned. For example, through joint information events and networking events.
- Think about providing government subsidies (or other types of incentives) to support social enterprise.
- Increase the orientation of social entrepreneurs towards business and build their capacity to be more business minded, so that they can speak the language of investors, as well as pursue social aims. Focus on stressing commonalities, with the message: “We can deliver the same product/service as a standard business, but our added value is that we also have a social impact”.
- Provide opportunities for education, awareness raising and knowledge transfer for social entrepreneurs, donors and investors about each other's work, and values and the role they can play to support and grow this emerging sector.
- Identify social investment ambassadors – and publicise the impact that their support to social enterprise is having on society – i.e. the social dividend of their investment.
- Start using the same language as each other.
- Identify appropriate ways to build trust between social entrepreneurs and investors/donors.
- Ensure that legal structures allow for social investment (especially In Turkey).



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Workshop theme - Impact: How can we strengthen the impact of social enterprises?

Question 1: What do we mean by "impact"?

- It is hard to identify a standard definition of impact. Impact will have different meanings in different societies with different levels of socio-economic, civic and cultural development.
- Impact can be positive and negative e.g. a social enterprise employing women in an area of high unemployment to make cigars.
- Impact can be intended and unintended.
- Impact is a "Pandora's box".
- Impact is the change that we make to society, which can be measured by structured indicators.
- Impact is a benefit introduced by change resulting from innovation.
- Impact = change in self/ community/ environment
- Impact is deeper, wider and longer term than results.
- Be clear about your outcomes if you want to have impact.
- Even a small impact is still an impact.
- Impact is the way in which the target group's lives have changed. It can include things like social independence, confidence in society, self, family and community, changes in vision, attitudes, ways of thinking, knowledge and behaviour and the opening up of new opportunities.
- Impact often has a "domino effect" – once it has started it continues to develop, sometimes in unexpected ways.
- Sustainability: There was some debate about impact and its relationship with sustainability. Some participants thought that impact leads to sustainability. It is not really impact if it is not sustainable. However, others thought that impact does not necessarily have to be sustainable.
- For Ashoka, the key ingredients of impact are system change, new ways of doing things and replication.
- Impact can be short-term (immediate impact) and long-term (often more sustainable).
- Impact is not easy to quantify.
- It is important not to "fetishise" measuring impact and focus too much on the need to measure impact, rather than on the need to find the innovative solutions that will lead to that impact.
- Impact comes in many shapes: direct (intended, immediate); indirect (unintended, long-term).

Question 2: What kind of impact do we envisage social enterprises can have in the future?

- The world is prepared for environmental change. Environmentally friendly businesses and technologies are promoted, raising environmental awareness in society.
- The world economic system is more socially oriented.
- A sharing economy.



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- Policy makers support new business models, by developing new legal frameworks, decreasing bureaucracy and offering incentives for social business.
- Social enterprises with local and global impact.
- Strengthened leadership potential among youth and underprivileged groups.
- A new generation of young social entrepreneurs - creative, socially aware, creating jobs, networked.
- Enhanced moral and ethical integrity of businesses and governments
- Establishment of just societies that respect rule of law, human rights and create opportunities for all.
- Greater social independence for excluded groups and minorities.
- Empowered women and men in underdeveloped communities and societies.
- Revival of local communities.
- Increased common ownership.
- Increased awareness of customers and product consumers about the “social” (environmental) impact of products or services they buy. Increase “consumer’s intelligence”.
- Global networks and increased collaboration between like-minded social entrepreneurs. Collaboration and replication results in even greater impact.
- More sustainable NGOs.
- More "togetherness", more “society”.
- Increased happiness.

Question 3: What steps can we take to make it happen?

- Make people compete for financial and technical support to encourage innovation.
- Become more media savvy. Use social media to be more visible. Think of low cost ways of promoting what you are doing. The Internet and social media are tools and catalysers for impact because they increase the chance of replication.
- Commercialise your data in exchange for money/knowledge/anything else you need.
- Work together with donors and investors to develop financing options.
- Provide patient capital⁵ and flexible financing to front line organisations and social venture intermediaries⁶.
- Provide hybrid forms of capital (e.g. mezzanine funding⁷ or loan to grant or loan to equity)
- Be an "agile entrepreneur" – if there is no grant, if there is no money, just do it anyway!
- Use social venture intermediaries with local outreach models as a tool to achieve positive community impact.
- Empower communities and other specific target groups through awareness raising workshops to educate them on how to help themselves and ensure the financial sustainability of that support (through income generating projects).



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- Involve people. Make your beneficiaries the owners of the change you are aiming for.
- Change mindsets. Continue to raise awareness about the potential of social enterprise. Lobby for policy change.
- Do not try to turn all civil society organisations into businesses – make businesses and communities more socially aware.
- Focus on building more collaboration and partnership. Make the most of supporters (like the British Council) to help you do this.
- Focus on more common ownership.
- Raise awareness and working in the sectors which will be more popular in the future.
- Transfer knowledge and share lessons learned.
- Work transparently.
- Assess needs correctly.
- Make sure your indicators are relevant to you and your work. Do not just use standard impact indicators without thinking about whether they fit!

Workshop Theme - Enabling Environment: How can we create an enabling environment for social entrepreneurship?

Question 1: How do you see the environment for social entrepreneurship now?

On the positive side:

- There is political will on the global level for the development of social entrepreneurship.
- There are already some social entrepreneurs in the Western Balkans.
- There is a growth in interest in the sector, e.g. from businesses and donors (including foundations)
- There are a lot of social problems to solve, which means that the region is ripe for the development of social innovation.
- Women tend to be natural social entrepreneurs.

However, on the negative side:

- The current environment in the region is NOT favourable for the development of social entrepreneurship.
- In the Western Balkans and Turkey, governments see social entrepreneurship as a new concept.
- No real thought has gone into establishing an enabling environment for social entrepreneurship.
- There is a lack of knowledge about social entrepreneurship.
- There is no legal/financial infrastructure to support social entrepreneurship.



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- It is not clear whether and how to regulate social enterprises or not.
- Lack of investors.
- There is political instability in the region.
- The transition period from socialism/communism has not ended. Under socialism/communism there was little opportunity for entrepreneurship.
- There has been a 'quick shift: from the social/centralist approach to a neo-liberal approach.
- Social entrepreneurship sounds 'socialist'/'communist'.
- In the Western Balkans, government institutions tend to be rigid. There are no clear government stakeholders in the area of social entrepreneurship, which crosses traditional government competencies.
- In the Western Balkans, CSOs are not educated about the potential of social entrepreneurship as one way to ensure sustainability.
- Social entrepreneurs need skills, guidance and tailor-made trainings.
- Social entrepreneurs need increased opportunities for networking and exchange of lessons learned.

Question 2: What kind of “enabling environment for social entrepreneurship” would we like to see in the future?

- An enabling environment that fosters social entrepreneurs, in which individuals have the opportunities, knowledge and self-confidence to start up social entrepreneurship activities.
- An environment which encourages social entrepreneurs to do creative and innovative work.
- Government support for social entrepreneurship based on a real understanding of the value that the sector can bring to society.
- Diversity in the legal structures for social enterprises. Allow as many different types of organisational/legal structures as possible: co-operatives, NGOs, foundations.
- In ex-socialist countries, lessons learned from old social concepts are reflected in social entrepreneurship concepts.
- Practical business and financial literacy classes in primary school/high school.
- Universities function as social entities, as hubs to show alternative career paths to students and empower them.
- Incentives to avoid free rides, global understanding, and a better definition of social entrepreneurship.
- Social entrepreneurs in the policy making process. Make this process dynamic and innovative.
- An environment that transitions from an "EGO-system" to an "ECO-system" of social entrepreneurs.
- Taxation structures to support innovation, e.g. gradual taxation to help start-ups.
- Media plays an active role in mainstreaming social entrepreneurship.



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- Social impact of government service providers taken into account in public procurement.
- Tools to measure the impact of social entrepreneurship.
- Thriving social entrepreneurship networks and partnerships.

Question 3: What can we do to create that environment?

- Establish funds for start-up social enterprises, with contributions from private and public actors.
- Increase the awareness of society (decision makers/ the private sector/ and the general public) about social entrepreneurship.
- Start social entrepreneurship education in schools. Develop training programmes to identify and train young social entrepreneurs.
- Use role models and champions.
- Lobby and advocate.
- Start a social dialogue.
- Develop better legislation and policies to support and regulate social enterprises.
- Promote social enterprise as a way to CSO sustainability.
- Encourage charity reserves to be socially invested!

Workshop theme: Structures: What implications do different legal structures have for social enterprises?

Question 1: What kind of structures do we already have?

- In most countries in the region, social enterprises currently use the legal structures for NGOs/associations and private businesses, but there is no legal 'connection' between the two.
- There is currently no model for developing the legal frameworks in the region to be more 'friendly' to social enterprises, although some countries are starting to develop national/sub-national strategies to support social enterprises. For example, there are attempts to create a specific legal framework for social enterprises in Albania and Bosnia, but they are impeded either by a lack of political will, or political problems between entities/federations.

Question 2: What kind of structures would we like to see in the future?

- Over-arching social enterprise friendly policies, directed at resource prioritisation and leverage, developed in partnership with all relevant stakeholders.
- Structures that combine the CSO model with the business model, for example, allowing businesses to operate for social gain and permitting collective ownership and decision making.
- Structures that allow for public/private investment and donations.
- Structures may incorporate tax exemptions. Although, bearing in mind the UK experience, they are not necessarily a significant enabling factor.



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- Care should be taken to ensure that registration procedures for 'old' structures and 'new' structures are simplified as much as possible.
- Company limited by guarantee, e.g. Coin Street Community Builders, UK.
- Surplus-shares company⁸, Northern UK
- Shared licence agreements.
- It may be that these structures can be achieved with small changes to the legal regulations regulating CSOs. This needs to be investigated.

Question 3: How can we develop new structures that would serve us best?

- It is very important first to define what we mean by 'social enterprise' in each of our countries. Only then can we see what new structures are required.
- It may be that these structures can be achieved with small changes to the legal regulations regulating CSOs. This needs to be investigated in detail before lobbying for specific changes to be made to laws and regulations, which should be developed in a multi-stakeholder consultation process.
- Stakeholders should consider regional and international lessons learned (good and bad) during the development of new structures.
- Parallel to developing new structures, we should focus on strengthening CSOs delivering social services, and which have the potential to 'transform' into social enterprises in the future.
- Awareness raising amongst all stakeholders, especially the government and business sectors, of the importance of creating an enabling environment for social enterprise, using the media (old and new). Best practice examples of successful social enterprises, particularly examples from the country in question (or the wider region) should be used in this education, as well as best practice examples from countries like the UK and Germany.

Workshop theme - Capacity Building: How to build skills for social entrepreneurs and social enterprises

Question 1: What kind of skills do social entrepreneurs need?

- Communication skills (including presentation, influencing and negotiating skills).
- Relationship building skills (including networking and partnership building skills).
- Business planning and management skills / project planning and management skills.
- Strategic thinking skills.
- Marketing skills.
- Fundraising skills.



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- Essential soft skills (which can be nurtured, but not learnt): flexible learning, empathy, calculating risk taking, consensus building, self-awareness and self-confidence.
- Intercultural understanding: corporate culture and civil society culture, national and regional cultures, national and local cultures.
- People management skills.
- Team development and motivation skills.
- Social capital building skills.
- Leadership skills.
- Creative and independent thinking skills.

Question 2: Who should be involved in building those skills in the future?

- The government should support the inclusion of these skills in curricula.
- Primary and secondary education teachers and other educational professionals – start early!
- Universities and other adult education providers.
- People who have practical experience in using the skill sets that social entrepreneurs need, and who can share their hands-on knowledge.
- Experienced social entrepreneurs and their associations.
- Civil society organisations with experience in the sector.
- Private training providers and consultancies.
- Specialist schools/programmes for change makers (e.g. kaos pilots (DK) <http://www.kaospilot.dk/>, know mads (NL) <http://www.knowmads.nl>, YIP (Sweden) <http://www.yip.se>).
- Families/parents.
- Media.

Question 3: What action can we take now to develop those skills?

- Start setting up and implementing education/training programmes for children, youth, adults.
- Create a national body for social enterprise (like Social Enterprise UK) to advocate for policy change and be a hub for social entrepreneurs).
- Influence government policy makers to change the way that they approach education so that independent thinking is nurtured from primary school onwards.
- Influence curricula in schools and universities, so that skills for social entrepreneurship are included at all levels.
- Do not wait for the government, start with small steps in schools and universities - encourage young people to do something in their community, work with teachers and students to set up youth banks in schools, arrange fun presentations and workshops with experienced social entrepreneurs Start with encouraging a sense of social and environmental responsibility amongst children and youth.



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- CSOs can implement projects focused on increasing skills for social entrepreneurship, and encouraging social innovation for all levels/ages.
- Basic skills training on innovative and interactive concepts, such as 'real time learning', and avoid lectures and teacher-focused learning.
- Use the media to help create a culture of social entrepreneurship.
- Use the support of other organisations (like the British Council) to access coaching and mentoring for personal growth, learn from the experience of other social entrepreneurs, and further develop technical skills.

Workshop theme - Cross-sector Alliances: In what way can we create effective collaboration between social enterprises and the private sector, public sector and civil society sector?

Question 1: What do we mean by "effective cross-sector alliance"?

"Cross-sector" means across sectors – i.e. this kind of alliance is between organisations working in different sectors, for example, the private sector, the government sector and the civil society sector. This conference is an example of a cross-sector alliance, with partners gathered from the following sectors to deliver this event: TACSO (EU funded trans-national project providing support to civil society, implemented by private sector/civil society sector consortium), TÜSEV (civil society organisation), British Council (trans-national quasi-governmental organisation), Kadir Has University (private foundation) and Vodafone Turkey Foundation (private sector foundation).

"Partnership" means working together to maximise resources and impact. Partnerships based on trust, as well as shared opportunities in order for it to be long term. Partnerships just based on shared opportunities will be short term.

To be effective, this kind of alliance should:

- Have a clear and predefined objective.
- Be results oriented.
- Not have a hidden agenda.
- Be based on clearly defined mutual understanding between the members of the alliance.
- Be based on frequent and open communication between partners. Listening is as important as talking!
- Ideally, be based on equality between partners
- Have very clear structures for coordination and management.



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In an effective cross-sector alliance, each partner should:

- Share values and principles.
- Have a clear understanding of roles and responsibilities. These should play to each partner's strengths and previous experience. Having clear roles and responsibilities will help build a platform of trust.
- Gain benefit from the partnership.
- Be prepared to make compromises if they are in the interest of the alliance.

Question 2: What kind of cross-sector alliances would you like to see in future?

- Alliances that bring maximum public benefit and community development.
- Sustainable alliances.
- Cross-ethnic alliances for public good.
- Resilient alliances, with clear individuals identified in each partner organisation who have the responsibility to work on the partnership, and buy-in/support from top level management from day one of the partnership.
- Diverse combinations of international organisations, government, private sector and civil society partners, depending on the nature of the problem that they want to address.

Question 3: How can we support this process of collaboration? What is the next thing we can do together?

- Increase, improve and enhance cross-sector communication
- Improve the capacity of social enterprises.
- Showcase successful social enterprises to relevant private companies, and other potential partners.
- Encourage debate and discussion about the advantages and disadvantages of cross-sector partnerships amongst all relevant stakeholders. Use the media to support awareness raising.
- Ensure that cross-sector partnerships become part of the political dialogue.
- Spread lessons learned: set benchmarks and show results.
- Ensure that partnerships are based on clearly defined and high ethical standards, transparency and trust.
- Organise conferences like this one to focus on developing cross-sector alliances.
- Create (online) platforms for networking and identifying partners.

Workshop theme - Marketing Strategies: How to get consumers to shop social enterprise?

Question 1: What is the added value of a social enterprise product/service?

- Its positive impact on society or the environment.



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- Promotion of more efficient and innovative solutions to social and environmental problems.
- Breaking down stigmas/prejudices and providing new perspectives on disadvantaged/underprivileged communities.
- Catalyst for improving social awareness and responsibility amongst consumers - educating consumers about social/environmental issues and showing them that they can make a difference to the world through their purchasing decisions.
- Social enterprise can make social activism more sustainable.
- Provision of support to local community OR raising awareness of different cultures around the world, and the challenges that face them.
- It is very important that social enterprises should be careful not to "sacrifice" the quality of their products and services. They need to meet the market quality standards, but also provide the added value of positive social/environmental impact.
- It is also important that social enterprise products and services should answer a "need", i.e. they should be market driven. This need should be tested through market research. They may be premium market oriented, particularly if the price for social enterprise products/services is slightly higher than the market price.

Question 2: What do we need to make our products and services more attractive to consumers?

- Ensure that products/services match market needs. Tailor products/services to meet those needs.
- Ensure that products/services are of competitive quality and competitively priced.
- Raise visibility through good marketing.
- Use a consistent branding strategy, stressing the values, needs, wants, and demands of the social enterprise's targets (customers and beneficiaries).
- Tell stories about the social enterprise and the community it benefits. Bring the social enterprise and its social/environmental impact closer to consumers.
- Market the innovative way in which those products/services have a social/environmental impact.

Question 3: How can we put that into action?

- Teach social entrepreneurs about marketing through sharing of business know how and experience.
- Utilise corporate mentors with marketing experience.
- Establish "Big brother/sister" system for mentoring services provided by established social enterprises and start-up social enterprises.
- Follow regular business marketing strategies, but add in social impact.
- Support start-ups to upgrade to bankable status recommendation
- Use champions, opinion leaders, media sponsors and social media to promote social enterprise.



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- Do extensive market research (of customers and beneficiaries) and research about competitors/competition. Get to know your competitors, customers and beneficiaries "better than you know yourself"!
- Partners with marketing companies and get pro-bono marketing for your social enterprise in return for good PR/CSR for the marketing company.
- Choose your niche and then target it.
- Be active members of social enterprise networks. Use them to share ideas, build knowledge and promote the sector.

Workshop theme- Sustainability: Can social enterprises act as a model for CSO sustainability?

Question 1: What do we mean by CSO sustainability?

- Financial independence.
- Diversification of funding: 1/3 donor; 1/3 government or business; 1/3 generated income.
- People are key to sustainability - attracting and retaining high quality staff/volunteers.
- Sustainability of services.
- Organisational sustainability.
- Long term fulfilment of CSO's mission and objectives. It is more important that the CSO's impact is sustainable, rather than that the organisation itself survives.

Question 2: In what way can social enterprises assure CSO sustainability in the future?

- Through social enterprises, CSOs can meet the needs of their beneficiaries and attain some financial independence and diversification of income.
- If commercial and social objectives overlap (for example, job creation for youth) – social enterprise is a great way of ensuring both impact and sustainability.
- CSOs that have an income from a social enterprise are under less pressure to obtain grants and donor support and keep their independence.
- Develop cross-sectoral partnerships – Social enterprises and CSOs should combine their efforts to meet the needs of beneficiaries/target groups.
- Develop new capacity and motivation amongst staff and volunteers, who are valued for their ability to be entrepreneurial, innovative and creative.
- However, it is important to remember that social enterprise is not suited to all CSOs. Some may not be able to combine providing social services and running a business. It is important that the main purpose and objective of the CSO is kept alive. If you can do that and run a social enterprise – great; if not, don't do it!



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- Consider ownership by workers/beneficiaries to avoid becoming too profit focused to the detriment of social impact. Strong social ownership can be ensured through common ownership of the social enterprise.

Question 3: What can we do to make this happen?

- Take time to work out whether setting up a social enterprise is the right thing for your organisation and its beneficiaries. Some questions that came up in discussions were: What product/service would you provide? Is it in line with the CSO's mission and objectives? Who would provide/produce it? Is there a market for that product/service, or do you need to develop it? What does that market expect in terms of price and quality of product? Do your colleagues and beneficiaries 'buy in' to the idea of setting up and running a social enterprise? Do you have the capacity to run a social enterprise? What are the legal implications of establishing a social enterprise? Do you need start-up capital? Where will you get it?
- Communicate and consult with all stakeholders during this feasibility assessment, as well as during the process of establishing and running a social enterprise.
- Get the media involved to educate opinion formers and the wider public about social enterprise products. Use social media, talk to people, increase the visibility of your organisation,
- Develop and implement a clear and focused marketing strategy.
- Put time into human resources management and development.
- Be aware that organisational change is a tough process, and put time into consulting with and nurturing your team through the transition. Keep up the enthusiasm!
- Develop staff and management capacity. Remember that although CSO management and business management are not entirely dissimilar, staff and management will need time and effort to develop some new skills.
- Think strategically and develop well-chosen partnerships, for example with investors and marketing companies.
- Seek partners in the social enterprise world – social venture intermediaries, experienced social entrepreneurs, international organisations and projects, etc. – from whom you can learn during the set-up of your enterprise.
- Set up a social enterprise support network in your country.



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Cocktail Reception and Concert by Social Inclusion Band

At the end of the first day of the conference, the event's strategic sponsor, Vodafone Turkey Foundation hosted a cocktail reception. The reception was opened by **Dr. Hasan Süel, Chairman, Vodafone Turkey Foundation**, who presented the Foundation's work in Turkey. After Dr. Süel's speech, there was a concert by the Dreams Academy Social Inclusion Band (SIB). SIB is a highly accomplished voluntary music band consisting of socially disadvantaged members and members with disabilities. It is supported by the Vodafone Turkey Foundation. More information can be found at <http://www.turkiyevodafonevakfi.org.tr/projects-dreams-academy.php>.





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Closing session

Ms. Christine Wilson, Society Adviser, British Council opened the closing session by thanking Kadir Has University, Vodafone, TÜSEV, TACSO and her British Council colleagues for making the conference so memorable and inspiring. Quoting Cliff Southcombe, Social Enterprise Europe, at the Budapest conference on Social Enterprise, March 2009, she said: “The people who work in the social enterprise sector see themselves as part of a movement that marries the creation of wealth through trading with the creation of a world that is equal, fair and environmentally sustainable. To do that they naturally seek replication, development and partnerships with other communities and other countries.” This quote underlines the reasoning behind everything the British Council does.

Ms. Wilson went on to give a few reflections on the conference, noting that her perspective was naturally coloured by the fact that she is from the UK. The first thing that Ms. Wilson said she would take home with her is some pride in the UK social enterprise sector. This sector has its roots in movements that started over 200 years ago, but it is only now that the UK has an Act (law) that provides for social value to be taken into account in public procurement.

The second thing Ms. Wilson mentioned was that she had been inspired by the energy and creativity at the conference, and thinks that there is plenty the UK can learn from the experiences of the countries represented at the conference. She emphasised that it is important not to take wholesale the experience and infrastructure of the UK and transplant it on the rest of the world. What has made the British Council project, Skills for Social Entrepreneurs; a success is that although the project was based on a series of agreed outcomes, each participating country nuanced the delivery to their local needs and the needs of their partners.

Ms. Wilson went on to pick up on some of the points and themes that she had heard during the conference:

- **Failure:** The aim of the conference was to inspire people to think about social enterprise and share ideas. However, it is important to face the reality that people hit walls and come up against barriers all the time. Some entrepreneurs will carry on and find new ways to achieve the social change they are aiming for. Some may not carry on. It is not easy to be a social entrepreneur, however many do succeed against the odds and reap the impact for themselves and their community.
- **Impact:** It is important to acknowledge that even a small impact is still an impact. Some organisations stay small and continue to meet the needs of their community. Others scale up and seek to tackle a wider range of issues and/or have greater impact. Both models have equal validity. The important thing is that whatever impact they have should be sustainable.



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- **Networks:** Networking is what the British Council is all about. We need to move together if we are to stretch ourselves. We need to be aware of others around us, and realise we might be more successful if we stretch in the same direction. Take advantage of your local, national and international networks. Join one – start your own!
- **Partnership:** Networks can lead to partners. Partnership can help promote new ways of doing things and build new knowledge. For example, this partnership with TACSO and TUSEV has allowed each of us to do so much more than any one of our organisations could have done alone. It has helped us to think and do things differently, which is definitely one of the other lessons learned from this conference.
- **Do it with joy!** This has been one of the main messages coming out of the conference. There is no point in getting engaged in this sector unless you are passionate about what you do, and the impact that you want your work to have on society.

Ms. Wilson emphasised that there is a lot of work to do at all levels. It is important to take a closer look at accessing finance, sustainable finance and social investment. It is essential not to shy away from political issues; engagement with governments is key – not to advocate for hand-outs and special treatment, but to advocate for infrastructures and mechanisms to support this growing and vital sector. Ms. Wilson underlined that there is not one right answer to the question “how can we make this happen?”, but emphasised that it is key to carry on working together. Social enterprise is not the panacea to all the world's problems. In addition, not everyone can change the world; however they might be able to change their world. Social enterprise is just one of many ways that we can strive for greater equality, fairer distribution of resources and greater access to opportunities. Ms. Wilson ended her closing words by stressing her belief that now, more than ever, we can be change makers.

Ms. Zelah Senior, Civil Society Capacity Building Expert, TACSO thanked Ms. Wilson for her comprehensive closing presentation. She briefly summarised participants' feedback to the exit question that was posed by facilitators during the conference's final workshop (“What are you taking home with you from this conference?”). She identified that participants had enjoyed the opportunity to make new contacts and gather new information, knowledge and ideas. One participant described the event as “Eye opening!” Others had enjoyed the experience of talking to other participants; of having to think about difficult issues and engaging in a fruitful exchange of thoughts and experiences. Participants felt that they were leaving the event with new energy, hope and enthusiasm. This was summed up in the comment: “I'm not a social entrepreneur, but I'd like to be one!” However, participants were also going home with an increased awareness of the difficulties on the road ahead, and a feeling that their countries are a long way behind the UK and Germany. One participant from the Western Balkans summed this feeling up by saying: “The next step seems so hard....”



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Ms. Senior acknowledged that the road ahead is not easy. She encouraged participants to see themselves as part of a movement of people around the world who are taking risks and innovating in order to change society for the better. Ms. Senior emphasised that there is no one right way to be a social entrepreneur; participants should learn from the experience of people in other countries, but not be disillusioned or restricted by it. She showed participants a short TED video to illustrate how important it was for them to go back home and start a social entrepreneurship movement there, even though, at first, they might “stand out from the crowd”. (http://www.ted.com/talks/derek_sivers_how_to_start_a_movement.html). Over the next year, TACSO national offices in the Western Balkans and Turkey will be supporting the development of this movement by organising follow up events in their countries, the first of which will take place in Montenegro in mid March 2012.

Ms. Senior closed the conference by thanking all the participants, speakers, moderators, facilitators and support staff for joining together to make such an enjoyable event. She ended by thanking all the conference partners, the strategic partner and the host for their hard work in making the conference happen.



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Conference Outcomes



The main outcomes of the conference were as follows:

- **Strengthened connections** between 143 social entrepreneurs and supporters of social entrepreneurship from the Western Balkans, Turkey, Ukraine, Georgia and the United Kingdom (UK). The atmosphere during the two-day event was very energetic and animated. Participants capitalised on the opportunity the conference provided to exchange experiences on key issues relating to social entrepreneurship with a wide range of people working in their field. Connections made at the conference will be developed further during follow-up events at national and local level, and through personal contacts between conference participants.
- **Widened and improved regional network of social entrepreneurs.** The need for improved networking and partnership between social entrepreneurs was a recurring theme during the event. Successful social entrepreneurs do not work alone; they work with the community they serve, with key partners in other sectors, and draw on the support of fellow social entrepreneurs in order to achieve their goal and further develop the sector. The conference played a key role in creating a new movement of social entrepreneurs in the Western Balkans, Turkey, Ukraine and Georgia.
- **Strengthened relationships between participants from different sectors.** It was clear from the presentations in the first plenary session that the rapid development of social entrepreneurship in



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Western Europe, in particularly the UK, has only been possible because of the considerable effort that has been invested in developing real partnerships between the public, private and civil society sectors. Discussions during the plenary sessions and the workshops demonstrated a real awareness among participants that developing cross-sector relationships is not easy, but is key to the growth of social entrepreneurship in the Western Balkans, Turkey, Ukraine and Georgia. In particular, participants broadly acknowledged that establishing an enabling environment for social enterprise, and effectively regulating issues such as legal structures for social enterprises, financial support for social entrepreneurs and taxation will require input from all three sectors.

- **Participants and speakers shared knowledge and best practices in social entrepreneurship** throughout the event, and particularly during the eight workshop sessions. Two recurrent themes emerged as crucial to the development of social entrepreneurship in the region:
 - Risk, success and failure – Not all social enterprises will be successful. Some will be, but many will fail. The key is to keep on taking the risk and trying to find new ways of trying to achieve social change, and to recognise that the lessons learned from failed ventures will play a key role in moving the situation forward.
 - Do it with joy – Keep the passion and commitment to making a social impact, and enjoy what you do.
- Participants left the event with **improved awareness of the potential role that social enterprises can play in the region**. These included:
 - Facilitating social inclusion, through integrating marginalised groups into the workforce.
 - Providing high quality social services.
 - Creating employment, particularly in areas of high unemployment.
 - Supporting civil society development and sustainability, through providing a way of generating income that is in line with their social mission.
 - Building social capital, a sense of mutual responsibility for the communities we live in, and trust and caring between members of those communities.
- Participants also went home with an **improved awareness of the challenges that they face on the road ahead**. Some participants felt overwhelmed by how far social entrepreneurs from the UK and other countries in Western Europe seemed to be ahead of them. In order to face those challenges and avoid disillusionment, participants were encouraged to:
 - Take one step at a time – Recognise that it takes time to develop an environment that is supportive to social entrepreneurship. In order to keep up enthusiasm, it is important to



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break the journey towards their goal into smaller steps, and celebrate progress made along the way.

- Tailor the experiences of others to their own context – Use the experiences of others to develop a model of social entrepreneurship that works in their context, but do not feel bound by them.



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List of Annexes

1. Conference Agenda
2. Final List of Participants
3. Conference Plenary PowerPoint Presentations
4. Conference Evaluation Results
5. List of Workshop Facilitators and Participants
6. Conference Communications Report



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Endnotes

- 1 Shifting the focus of economic activity to local markets – meeting local needs with local resources, through local production and local ownership.
- 2 The collective cooperation, attention and trust by people who network and pool their money together, usually via the Internet, in order to support efforts initiated by other people or organisations. It can replace the need for specialized grant applications or other more formal and traditional fundraising techniques with that of a more casual, yet powerful, approach based on crowd participation.
- 3 <http://www.ashoka.org/youthventure>
- 4 Affluent individuals who provide capital for business start-ups, usually in exchange for convertible debt or ownership equity.
- 5 Another name for long term capital. With patient capital, the investor is willing to make a financial investment in a business with no expectation of turning a quick profit. Instead, the investor is willing to forgo an immediate return in anticipation of more substantial returns down the road.
- 6 Organisations that support social ventures to operate more efficiently and commercially at scale.
- 7 A subordinated debt or preferred equity instrument that represents a claim on a company's assets which is senior only to that of the common shares. Mezzanine financings can be structured either as debt (typically an unsecured and subordinated note) or preferred stock.
- 8 One of two forms of pro-rata reinsurance