

Tell me how you are financed, I will tell you which social entrepreneur you are

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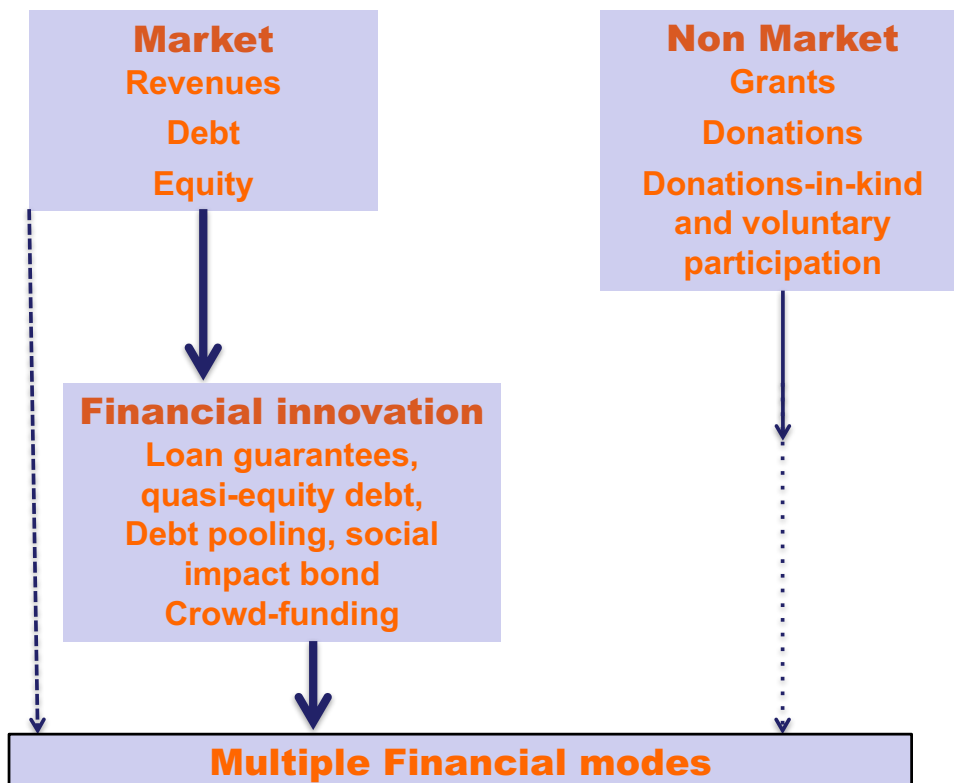


*This project has received funding from the
European Union's seventh Framework Programme
for research, technological development and
demonstration under grant agreement no 613500*

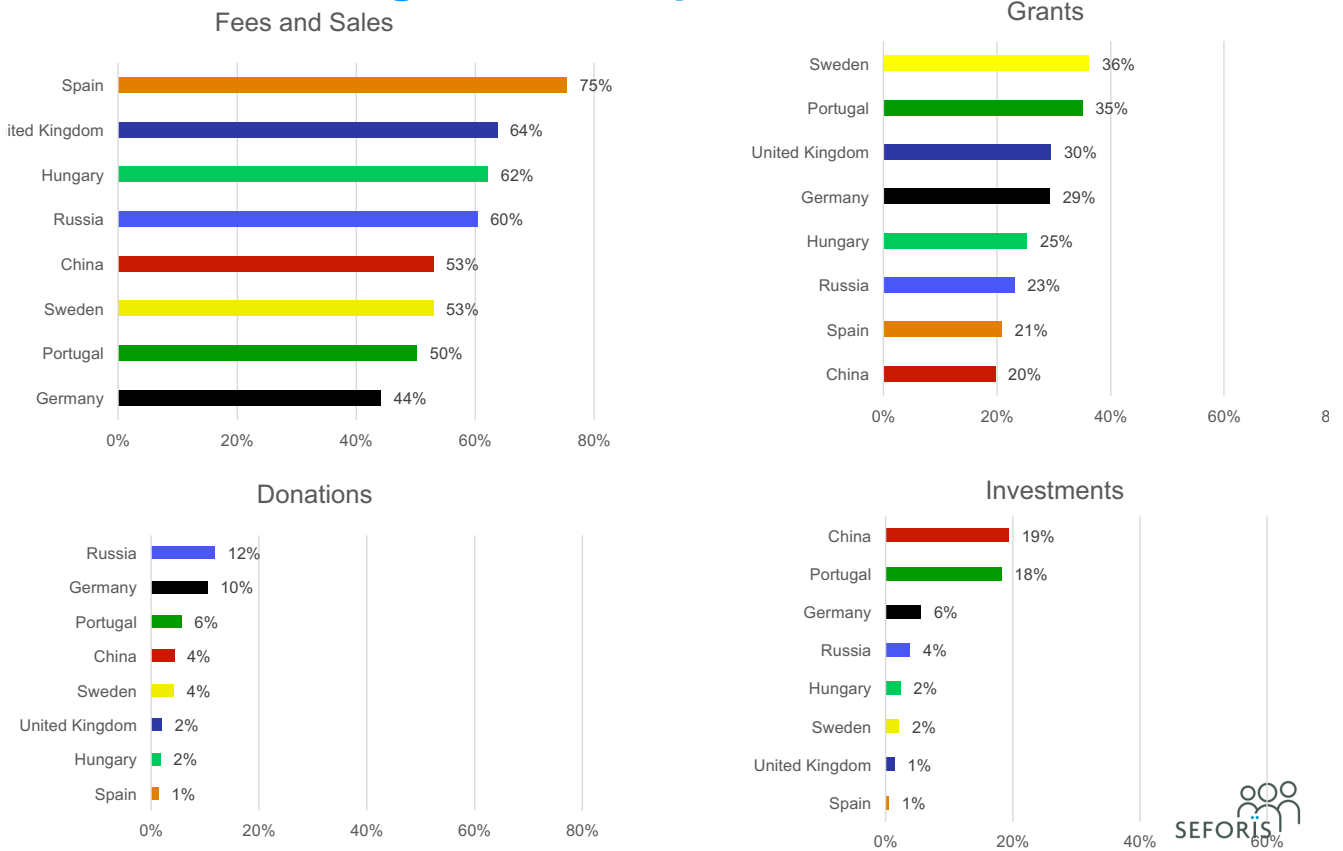


*International SEFORIS Conference,
Brussels, March 16-17, 2017.*

Different financing modes available



Which financing modes in practice? (SEFORIS survey, 2016)



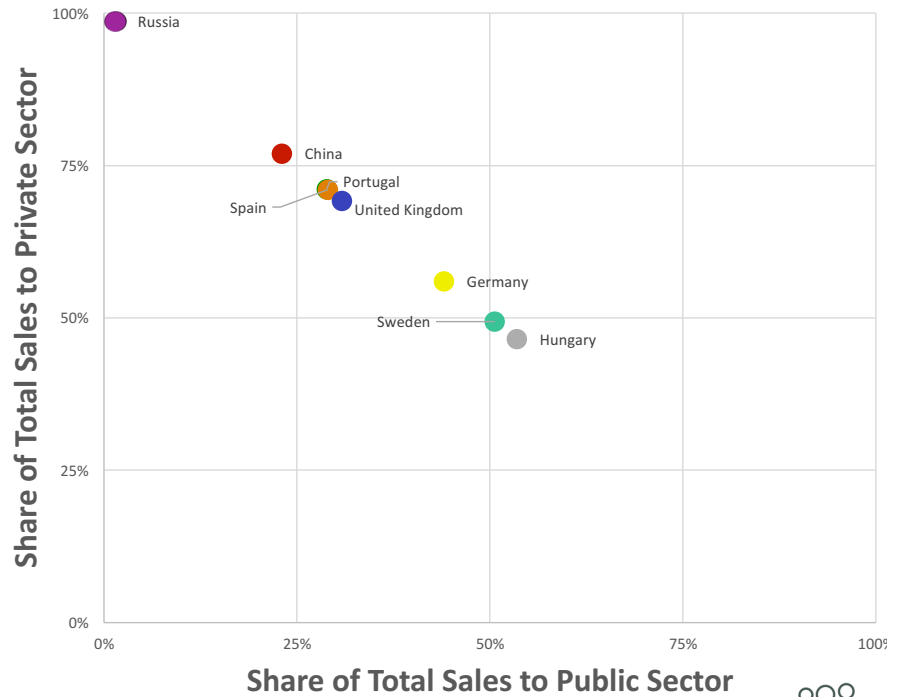
Which financing modes in practice? (SEFORIS survey, 2016)

Finding 1: Fees and sales are a dominant financing source across countries.

- Policy implication 1:** Achieving economic self-sustainability
- i) gives more liberty of action
 - ii) but may also require big administrative capacities

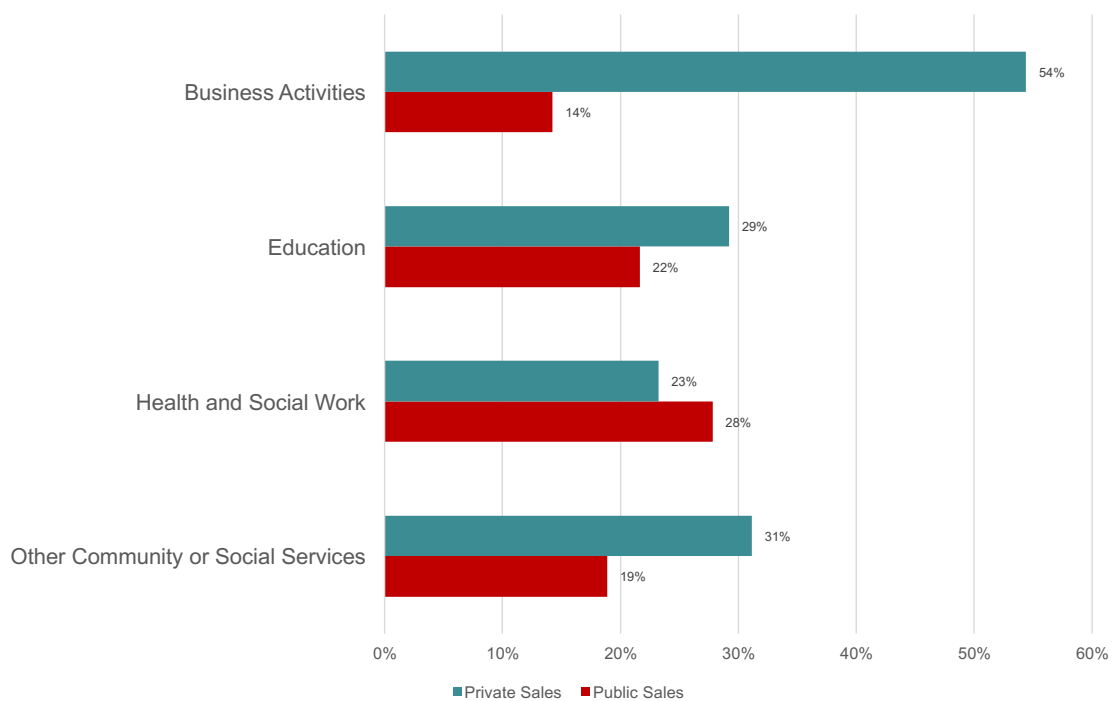
2. Public vs. Private financing? (SEFORIS survey, 2016)

	Fees and Sales as % of tot. rev
China	53%
Germany	44%
Hungary	62%
Portugal	50%
Russia	60%
Spain	75%
Sweden	53%
United Kingdom	64%



2. Public vs. Private financing? (bis)

Sales by Business Sector



2. Public vs. Private financing? (SEFORIS survey, 2016)

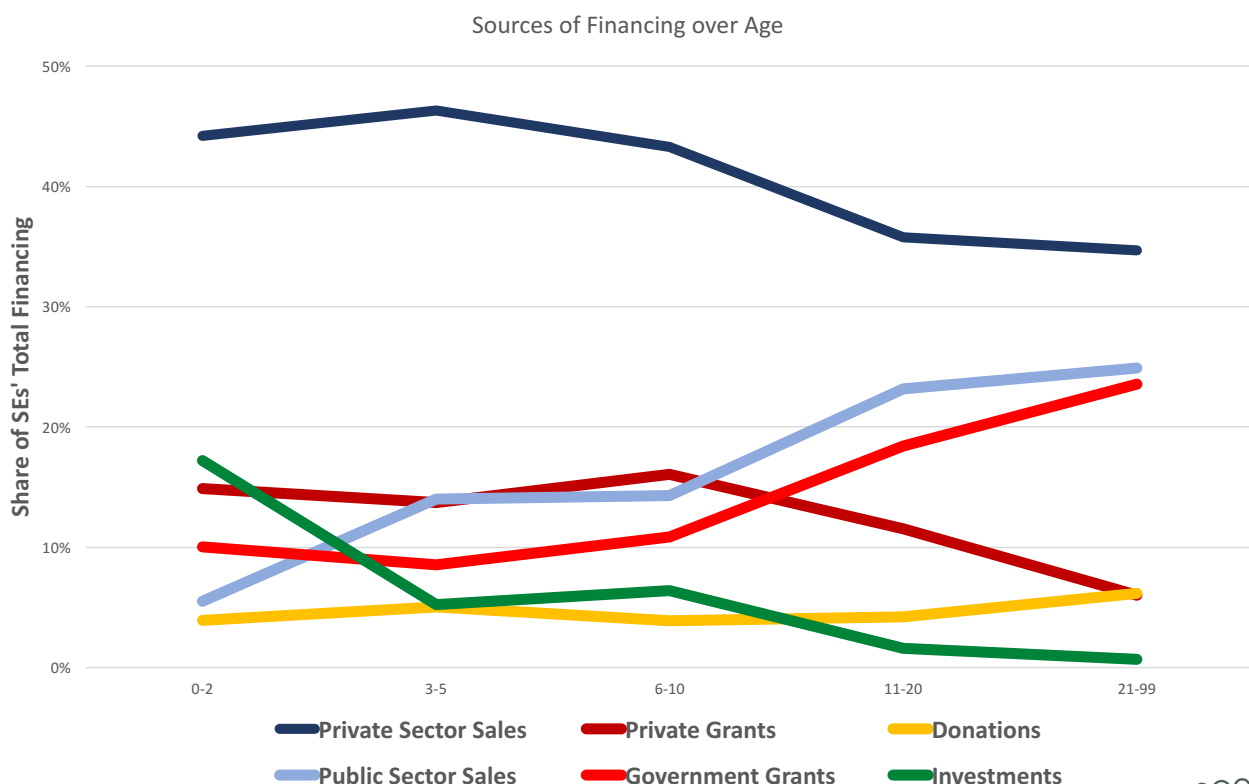
Finding 2: Fees and sales from private sector are a dominant financing source across countries.

- ⇒ Goods and services and contract sizes are different when sold to the private sector compared to the public sector
- ⇒ The private sector is more likely to buy goods and services from SEs that compete with for-profit companies

Policy implication 2: Despite potential difficulties to ensure fees and sales to the government, these might be worth overcoming due to the contracts' often desirable sizes and lengths.



3. Young vs. Old



3. Young vs. Old (SEFORIS survey, 2016)

Finding 3: Financing sources change over the lifecycle.

- ⇒ private sector clearly dominates the beginning of SEs' lives
- ⇒ as SEs become mature, more sources of funding available, especially from the public sector.

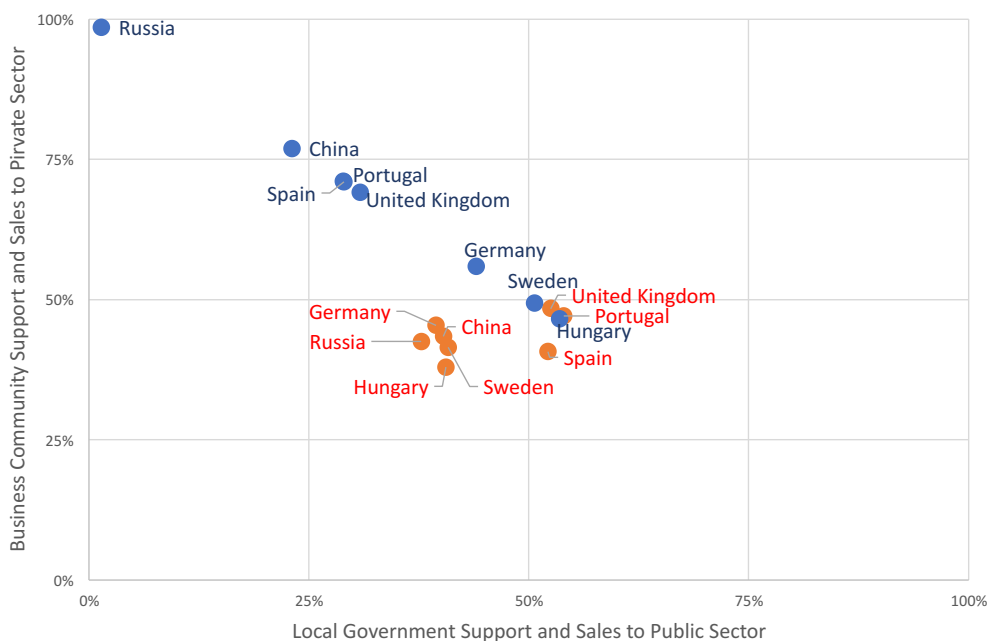
Policy implication 3:

- i) crowding-out effect between private and public funding sources
- ii) BUT public sector should play a crucial role during establishment phases of the SEs, when stakes are high and activities are risky

=> public sector could act as a "quality label" for young SEs' impact and efficiency



4. (Perceived) Climate SE business



- % share of fees and sales to the private sector
- (perceived) support from a scale of 0 to 100



4. (Perceived) Climate SE business (SEFORIS survey, 2016)

Finding 4: The business climate perceived by the SEs, is overall relatively weak, with public and private support generally averaging below 0.5 on a 0 to 1 scale

⇒ Not in line with the dominance of private sector

Policy implication 4: Better business climate for SEs by

- i) improving the institutional framework (for example, introducing more transparency on funding),
- ii) reducing the cost of reporting,
- iii) giving social enterprises advantages such tax incentives or even requiring that traditional businesses complete impact assessments.



Sources of financing SE

1. Findings

- Fees and sales are a dominant financing source across countries.
- Fees and sales from private sector are the most important
- Financing sources change over the lifecycle, with the private sector clearly dominating the beginning of SEs' lives
- The business climate perceived by the SEs, is overall relatively weak
- CEO characteristics does not seem to matter much except gender

2. Some policy recommendations

- promote fees and sales to the government, to benefit from bigger and longer contract
- ensure that public sector acts as a "quality label" for young SEs' impact and efficiency
- improve business climate of the SEs



Thank you

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