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MedUP! Promoting social entrepreneurship in the Mediterranean region

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REPORT

NEEDS ASSESSMENT OF SOCIAL ENTERPRISES AND SOCIAL ENTERPRISE SUPPORT

ORGANIZATIONS IN THE MENA REGION

– Arab Republic of EGYPT –

Consultant: Hassanein, Heba F. & Khairat, Aisha M., Mohamed A. Wageih

Country: **Arab Republic of Egypt**

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Overview: This report aims at identifying the support and capacity building needs of SESOs operating in Egypt through researching the goals, actions, challenges and barriers in the Social Entrepreneurship ecosystem. The research also aims at identifying the potential, opportunities and challenges SESOs face in their support of SEs, how are they addressing them, but also more generally in carrying out their operation.

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Abbreviations

CAPMAS	Central Agency for Public Mobilization and Statistics
CSR	Corporate Social Responsibility
FGD	Focus Group Discussion
KPI	Key Performance Indicator
IB	Inclusive Business
IP	Intellectual Property
ISO	Intermediary Support Organization
MEAL	Monitoring, Evaluation, Accountability and Learning
SEs	Social Entrepreneurs
SESOs	Social Enterprises Support Organisations

Introduction & Background

This report was written in the framework of the regional project “MedUp! Promoting social entrepreneurship in the MENA region” co-funded by the European Union (March 2018 – February 2022) and implemented in Tunisia, Morocco, Lebanon, Jordan, Palestine and Egypt. The project is led by Oxfam in partnership with three specialized European partners (Diesis, Euclid Network and Impact Hub) and five national partners in each country of intervention (Enactus in Morocco, JOHUD in Jordan, TCSE in Tunisia, PARC in Palestine and Sekem Foundation in Egypt). The project aims to promote an enabling environment in the Southern Mediterranean partner countries for the development of the social entrepreneurship sector as a driver for inclusive growth and job creation. The study looks at policies and the enabling environment (macro-level), Social Enterprise Support Organizations (SESOs) (meso-level) and Social Enterprises (SEs) themselves (micro-level) in Egypt.

The project is implemented in Egypt by Sekem foundation and led and managed by OXFAM. The needs assessment study and its recommendations, will be used to determine the MedUp project implementation strategies. It will give further direction to setting the target group, policy improvement areas, social entrepreneurs’ service delivery needs, networking opportunities, sub-grant system, assess to finance strategy, and more.

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Global and MENA Region

Social entrepreneurship (SE) is one of the flourishing terms that have been rise on a global level. Social entrepreneurship is defined as “an innovative, social value creating activity that can occur within or across the non-profit, business or government sectors” (Austin & Wei-Skillern, 2006, p. 2). While the definition varies from broad to narrow ones, depending on the type and structure of the organization, a common aspect is the drive to create social value, rather than personal wealth. SE is charatirzed with a social problem/ societal challenge being addressed. In addition, such activity should be novel, rather than replicating things that already exist. The creation of social value is not the end goal, as once the value is achieved, it has to be sustained and scaled out/up, which means that social enterprises have to generate enough revenue via adjusting well-developed business models to achieve the desired sustainability and growth (Hassanein, 2018).

As for the Middle East, social entrepreneurship is believed to contribute to socio-economic development in this region at a large extent, as it will include the best of both private business, combined with social development activities for the public. For instance, SE can play a pivotal role in solving the challenge of the high unemployment rates, as it can provide job oppurtunities, via self empolymnt, for, especially, the marginalized groups, such as youth and women, and can create developmental solutions that are innovative that can improve the quality of life of the target groups and the final beneficiaries. Hence, social enterprise “*provides a new foundation for socio-economic development in the Middle East*” (Abdou, Greenwald & Nelson, 2010, p.10). An area that showed notable contributions of social enterprise in the Middle East is the human capital development, especially after the Arab Spring/revolution in 2011. There have been many start-ups and non-governmental organizations, NGOs, in both informal and formal education, skills development and teaching life skills, responding to the local demands, such as high illiteracy levels (UNESCO-UIS dataset, <http://uis.unesco.org/country/EG>). Other SE initiatives were in the health sector, community and rural development and civic engagement, as well as empowering the local communities (Abdou et. al, 2010). In social enterprises, social entrepreneurs apply their skills to the problems in the country, such as education, health, personal safety and security, poverty, social advancement, environmental sustainability, etc. The difference between entrepreneurship and social entrepreneurship is that social enterprises concentrate on how

to effectively address social needs, provide basic services, and achieve equitable and sustainable development (Abdou et. al, 2010), without ignoring the financial aspects as well.

Arab Republic of Egypt

Looking at the general trends of social enterprise in Egypt, studies showed that over the past decade, there has been a growing interest, awareness and number of support organizations for social enterprises (Abdou & El-Ebrashi, 2015). It has also been highlighted that many NGOs that are mainly focused on business entrepreneurship have started to adapt and support social enterprise. Examples include Injaz Egypt, Flat6Labs, Al Alfi Foundation, SEKEM Development Foundation and the Start with Google competition (Abdou & El-Ebrashi, 2015). Previous studies show as well that many youth have the passion, commitment and ideas for social entrepreneurship (Kharas & Abdou, 2012), with the significant role of educators and mentors to provide support and coaching to social enterprises, especially at the initial phase. Social enterprise have been given little attention, mostly due to sustainability challenges. The studies conducted on social enterprise in Egypt are not many, however few studies available have been focusing on larger more established models of Egyptian social enterprises, such as 'SEKEM' which is a successful example of a modern business model that combines profitability along with social and cultural roles , while at the same time preserving the environment (Abdou & El-Ebrashi, 2015). For that reason, SEKEM received, in 2005, from Ashoka Foundation the award of "Outstanding Social Entrepreneurship".

Regarding Intermediary Support Organizations (ISOs, referred to later in the Needs Assessment Section as SESOs 'social enterprise supporting organizations'), a policy paper (Kharas & Abdou, 2012) argued that Egypt needs a new model of socio-economic development that encourage inclusive businesses, which is a global trend that is defined as "an entity with a sustainable business model, oriented towards providing affordable and quality goods and services to base of the pyramid (BOP) populations" (Kharas & Abdou, 2012, p. 2). The paper suggested as well that there needs to be many legal reforms to allow for such inclusive businesses to operate and to have stronger ISOs. Unfortunately, Egypt is not taking much advantage of this due to many constraints. However, in January 2016, the Egyptian Government launched its Vision2030 for Sustainable Goals, taking into account the social/economic dimensions interactions.

A survey was conducted by the Brookings Institution and the Gates Foundation in 2012, which analysed 69 Egyptian social enterprises, found that only 9 of them had the potential to expand and scale up and all the social enterprises surveyed highlighted that they face problems due to bureaucracy and the legal system in the country (Kharas & Abdou, 2012). Moreover, with the lack of proper awareness on the business entrepreneurship in general and social entrepreneurship specifically, many active stakeholders, such as civil society and NGOs, local media and education inside higher education institutes can play an important role in creating the awareness needed for inclusive businesses (Kharas & Abdou, 2012). In Egypt, the IBs take many legal forms, including cooperatives, companies, NGOs, ISOs and hybrid organizations that support small enterprises, including social ones, however the Egyptian law has some restrictions for each form and that is why this sector is underdeveloped (Kharas & Abdou, 2012).

A positive phenomenon in Egypt is that there is a growing trend and belief in entrepreneurship; simultaneously there is strong dissatisfaction amongst youth with the lifestyle and the availability of affordable housing, goods, transportation, thus there is a change in the attitudes of youth, which seemed more evident after the recent uprising in 2011. This already reflected in significant increase in emergence of social entrepreneurs in the whole MENA region (Kharas & Abdou, 2012).

The MedUp project, co-funded by the European Union and implemented simultaneously in Morocco, Tunisia, Egypt, Jordan, Palestine and Lebanon aims to promote an enabling environment in the Southern Mediterranean partner countries for the development of the social entrepreneurship sector as a driver for inclusive growth and job creation. The project is led by Oxfam with several European and Southern Mediterranean partners specialized in social entrepreneurship.

The present report aims at presenting the main findings of the needs assessment study that has been conducted under the MedUp! Project by SEKEM Development Foundation. The general objective of the study is to draw key recommendations that will be used to determine the MedUp project implementation strategies, based on actual and up-to-date findings. It will give further direction to setting the target groups, policy improvement areas, social entrepreneurs' service delivery needs, networking opportunities, sub-grant system, assess to finance strategy, and more.

The purpose of this needs assessment, is to identify the support and capacity building demands of Social Entrepreneurship Support Organizations (SESOs) operating in Egypt. In order to define such needs, the study attempts to answer the following research questions:

1. What are the goals, actions and challenges of SEs in Egypt and where sufficient support is lacking?
2. What are the challenges the SESOs face in their support of SEs and how are they addressing them, and in carrying out their operation?
3. What are the SESOs support gaps in the support of SEs?
4. What are the goals, actions, challenges and barriers as well as the potential and opportunities of SESOs in Egypt?

Research Methods

Research Design

The study employed a qualitative approach, following a purposeful sampling technique, which allowed more in depth understanding the research questions. Qualitative data was collected by conducting two focus group discussions, FGD: first with SEs and the other with SESOs, followed by a joint workshop with both SEs and SESOs.

In the first FGD with SEs, the goals, actions, challenges and SESO support were chronologically discussed, according to the following stages of development:

- Stage I – Ideation & Incubation: This stage marks the very beginning of every enterprise in which the idea is perceived and developed until the decision is made to follow through and start an enterprise around it.
- Stage II – Start-Up: This stage ranges from the decision to start a SE up until it has proved the validity of the concept through a sustainable business model.
- Stage III – Growth & Expansion: This stage focuses on making the SE more sustainable through diversifying its financing through revenue and other financing mechanisms.

Moreover, the development of a social enterprise was discussed according to four clusters which are most relevant to the support SESOs offer:

- **Organizational Development & Business Management:** This cluster is concerned with the organization of the SE, ranging from vision and mission development, to development of a business model and plan, to marketing and sales, to all other business management and organizational
- **Impact:** This focuses on the impact dimension of the SE, whether on how they see their impact or their impact measurement e.g. through KPIs.
- **Finance:** This cluster captures all activities of the SE to gain access to finance.
- **Legal:** All legal aspects of the SE, ranging from the incorporation to intellectual property (IP) and other contracts.

The workshop brought together participants from both SEs and SESOs. Participants were divided into 4 groups, representing the aforementioned clusters. Each group was comprised of both SEs and SESOs, whereby they worked together to collaboratively develop solutions to the challenges identified in the first FGD by the SEs in each of the cluster.

The objective of the second FGD was to identify the needs of the SESOs. The problems and solutions identified in the workshop were discussed on different aspects, such as whether they were the most prominent problems, if the solutions were adequate and feasible, how do they support SEs and if the current support provided is appropriate. Moreover, the challenges SESOs are facing were discussed, in addition to the additional support services that they would like to have.

Context and Research Settings

The research was done in three sessions with two groups on the same day. Two individual sessions, one at the beginning with the SEs (FGD I) and one at the end with the SESOs (FGDII). The middle session brought both groups together and took a workshop character which allowed to work with a bigger group. Further information about the two groups:

1. Social Entrepreneurs (SEs)

The first focus group with SEs was held on Wednesday, March 20th at 10:00 am for 1.5 hours. 12 SEs participated in the focus group discussion from different fields (See Annex 1 for participants' profile). The participants came from different sectors and backgrounds and there was a relatively balanced gender ratio.

2. Joint Workshop

The workshop was held on Wednesday, March 20th at 1:00 pm for 2 hours, with 18 participants from SEs & SESOs. The participants from SESOs represented a widespread type of incubators.

3. Representatives from Social Enterprise Support Organisations (SESOs).

On the same day, at 3:00 pm, following the workshop, the second FGD was held for 1.5 hours, with 22 participants.

Population and Sampling

A total of 26 people participated in the needs assessment study. This included 13 SEs and 13 representatives of SESOs, including a key informant who was not able to attend the FGD and workshop, however shared her input through a virtual one-on-one semi structured interview. The ratio between male and female participants in the study was balanced, as 52% of the participants were female and 48% were male.

Purposeful sampling was used to select the participants, as an invitation was sent by email to those identified as social entrepreneurs and social enterprise support organizations. Email invitations were sent to a total of 95 people from both SEs and SESOs combined. The organizer, SEKEM Foundation, used the database of the SESOs that has been created during the first SESO Capacity building workshop in Egypt, in cooperation with IMPACT HUB (Cairo, Feb. 2019).

Process of Data Collection

Upon the arrival to the FGDs, participants filled in a google form with their demographic information. The form also included a consent form that they had to sign to proceed with the FGDs and workshop (Annex 5). To recruit the participants, a total of 95 emails were sent to SEs and SESOs, through a snowballing technique of referrals. 30 people confirmed their attendance, whereby a total of 25 participants actually attended the FGDs and workshop (+1 remotely, one-on-one semi structured interview).

Tables 1 and 2 highlight the number, demographics and years of experience of the participants of both SEs and SESOs.

Table 1. Number and demographics of participants

Gender (n=25)		Age (n=25)			
Female	Male	25-30	31-35	36-40	40+
13	12	15	2	4	4

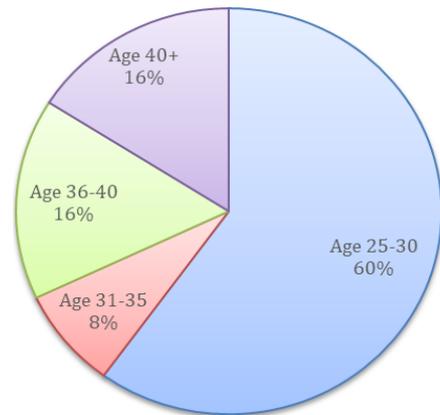


Figure 1. Demographics (%) of the participants

Table 2. Distribution of years of experience among participants

Group (n=25)	Years of experience			
	0-2	3-5	6-10	11+
Social Entrepreneurs	6	3	2	1
Support Organizations	4	2	2	4
Total	10	5	4	5

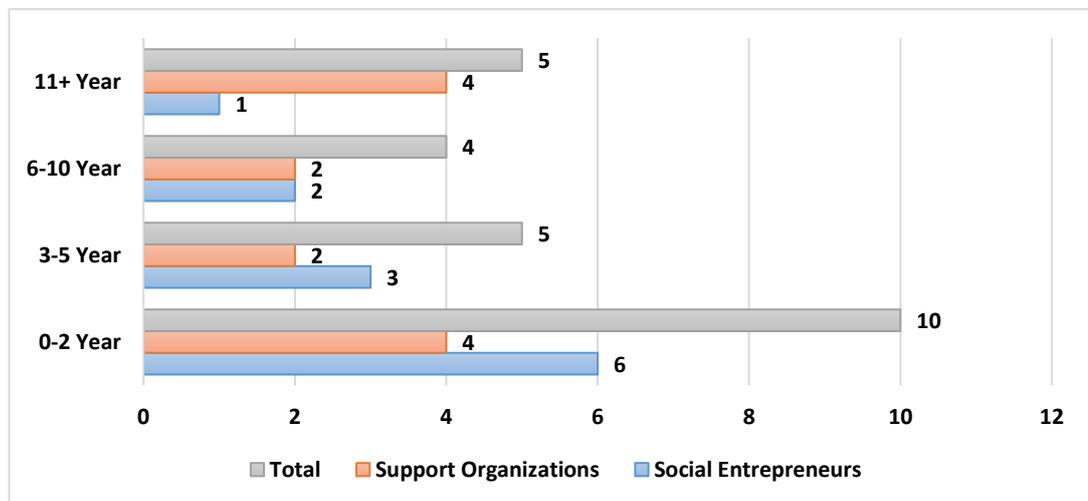


Figure 2. Years of experience among participants

Table 3. Distribution of participants by industry

Industry/Sector	SEs (n=12)	SESOs (n=13)
Education	1	2
Research & Development	1	1
Public Policy	3	-

Capacity Development	-	3
Fashion & Textile	1	-
Handicrafts	1	-
Mobile/ WebApp	1	-

Nano technology/science	1	-
CSR/ Sustainability	-	1
Incubator/Accelerator	2	4

Consultancy	1	-
Personal development	-	2

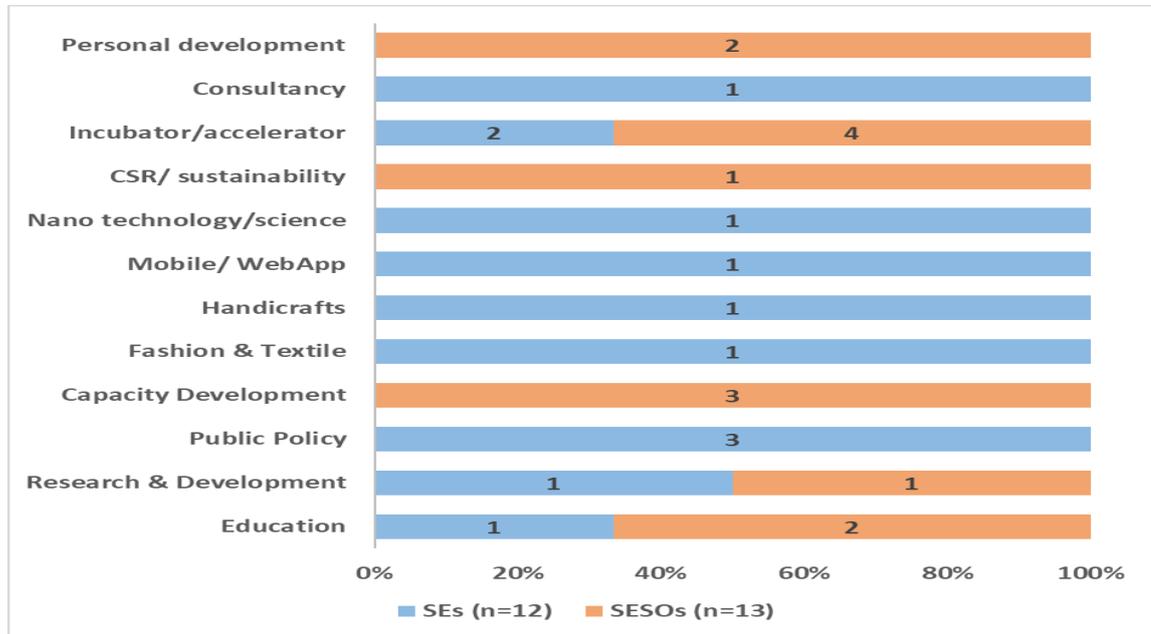


Figure 3. Participants by industry

Findings & Analysis

The first challenge faced in this research was identifying the term social in the eyes of the SEs. This had implications on the number of social entrepreneurs targeted that would fall under the SE category making the number very scarce; only 90 were identified and reached out to in Cairo with a population of 9.5 million, according to the 2017 census of the CAPMAS. The participants reached out to spanned various sectors: Education, Health; Energy; Food Sustainability, nutrition and pharmaceuticals; Environment, Agriculture and Recycling; and Culture. Although the participants are based in Cairo, few served at other governorates as part of their social mandate.

Needs Assessment of SEs and SESOs in Egypt

The following sections highlight the findings of the needs assessment of SEs and SESOs that were generated from FGD I, the Workshop, and FGD II.

1. FGD I – Social Entrepreneurs/ Entreprises:

The first FGD started with brief introduction about the MedUp project, the purpose of that research, various stakeholders of the project. The moderator then explained the flow of the day, the preferred language to conduct the FGDs and workshop and ensured that all participants filled out the Google form that has their basic information and their consent to participate in this research. The moderator then asked each participant to introduce him/herself and walked them through the flow of the first FGD, spanned in 1.5 hour.



Figure 4. MedUp-Egypt Needs Assessment Methodology

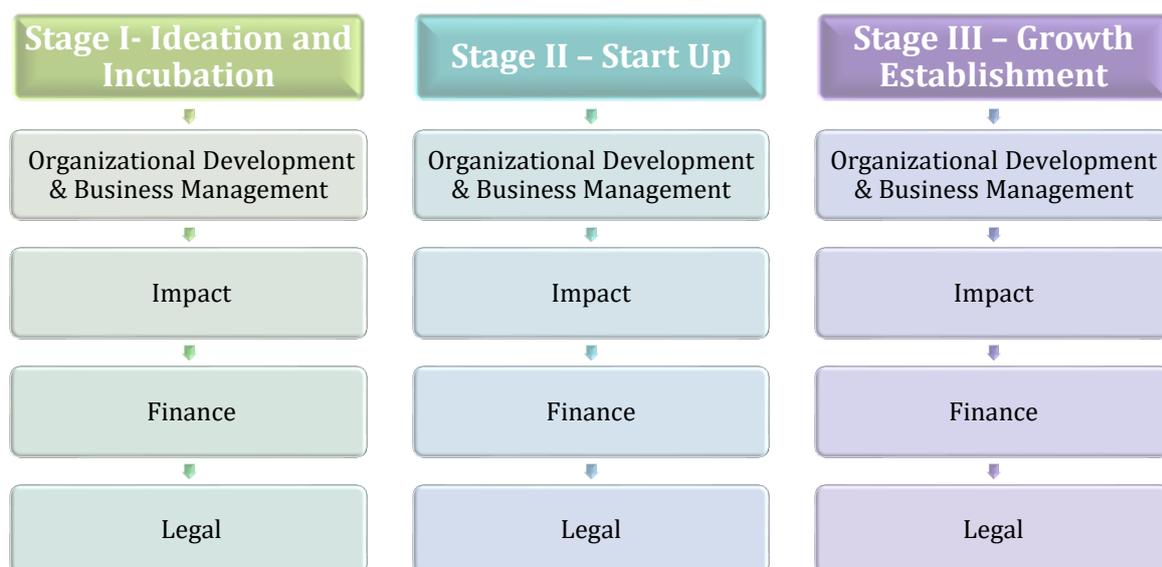


Figure 5. MEDUP FGD I Aspects Against Each SE Different Stages

a) SEs: Stage I – Ideation and Incubation

i) Organizational Development & Business Management

Most of the ideas stemmed from a tangible need or challenge observed by the SEs. Some ideas stemmed from services provided by charitable organizations in international contexts that later developed to social enterprises like economic empowerment through innovation in irrigation in Kenya. Another SE mentioned that the root of their ideas stemmed from a design thinking training as part of their professional experience in a multilateral organization that sparked their inspiration about social innovation and that it is the future of development.

The process of idea development was an unstructured exploratory process, where SEs tried to collect relevant data, personally, about their ideas through online search or asking their close network. It was a tiresome process as there's no unified repository of the Social Entrepreneurship Ecosystem in Egypt where SEs can find information about other SEs with similar offerings or to gain support from other SEs who have walked the same path, with some exceptions (Innov Egypt platform, Ashoka Peacemakers). Trainings about lean methodology were cited to have helped SEs in the ideation phase. In addition, the networks formulated through the involvement in co-working spaces were helpful to find team members to support the idea. None reported having a detailed business plan, but 40% mentioned they had milestones that lacked much detail.

The main **challenges** in Stage I with respect to organizational development and business support were identified to be:

- The confusion about the term 'social innovation' and which businesses count as social and which don't.
- The unmet need for bigger networks and connections within the Social Entrepreneurship ecosystem.
- Finding the right team members to support the idea, especially at the early stage, in which the risk factor is high.
- Having the support, financial (i.e. sub grants, seed fund) and technical (i.e. coaching), needed to be able to commit to the idea all the way.
- Educating SEs that a Social Enterprise is not an NGO, and that the business aspect of it is integral to its sustainability and growth.
- The trust to find experienced mentors/investors, who would support the ideation process rather than impose their ideas.
- The need for education on the basic life/soft skills that are needed even before the incubation phase.

ii) Impact

SEs have reported that they decided on their intended impact based on the market and had a general idea of how to measure it but were unable to develop specific KPIs. The main **challenge** in Stage I with respect to impact was the lack of knowledge and experience on how to measure and define different types of impact (social, economic, environmental, cultural...).

iii) Finance

Initial financing of a start-up or social enterprise was from personal financing sources at this stage. Some start-ups resorted to seed funding but the majority were self-funded. SEs also reported their awareness of the existence of support structures (incubators, accelerators, business angels...) to finance their ideas, however, when they approached them, they were advised that they need to have a working prototype or some market interaction before they can receive funding.

The main **challenges** in Stage I with respect to finance were identified to be:

- The lack of funding to afford an office space to legally register the start-up.
- The lack of funding to afford the cost of a legal advisor to legally register the start-up.

iv) Legal

While the process of registering a new start-up or SME had been simplified in Egypt after unifying all process under the Ministry of Investment, SE registration procedure is still not clear or specific. The level of legal knowledge of all SEs was high where they were all able to engage in a mature discussion about legal issues regarding to the Egypt business development ecosystem, in general term, the credibility of the legal knowledge was not assessed within the scope of this research. The legal knowledge was noted to be self-learnt without a common reference or source they can consult to get the answers they were looking for when they first started. All SEs reported the need to have an experienced legal advisor and they mentioned that they had to consult many until they found a trusted one to resume with. The main **challenges** in Stage I with respect to legal aspects were identified to be:

- How to enlist the SE for registration, the legal framework to be registered under is not clear.
- To shift from NGO to SE was a challenge and the solution was realized through self-learning rather than through formal venues.
- SEs expressed the necessity to have experience or help from more experienced individuals in the field to be able to navigate this phase.
- The authority legal advisors can exercise at that stage due to the lack of knowledge of SEs and having the later as their sole source of information exercised a threat to SEs. Finding a lawyer and legal advisor to trust entails research, money wasted and is not provided through incubation.
- Being threatened of conflict of interest or the idea of sharing equity with SESOs made SEs shy away from resorting to SESOs at the early, vulnerable stage.
- On the policy level, the legal system is confusing, lacks transparency and is unclear to the extent that it might signal contradicting messages to SEs, which hinders their direction to move forward to Stage II.

b) SEs: Stage II – Start Up

i) Organizational Development & Business Management

At this stage, SEs reported to have developed business and marketing plans. This process was built upon previous experiences, the experienced advice of personal connections

and friends, self-discovery and research in academia. All SEs agreed that sustainable growth and development happens through sales when the SE has a niche that was identified based on intensive research and a unique selling proposition that caters to the market needs.

The main **challenges** in Stage II with respect to organizational development and business support were identified to be:

- The actualization of the idea in the market might yield unexpected/undesired results other than what were planned in the ideation phase. This example was associated with as SE that brought an international concept to Egypt without sound contextualization to match the Egyptian market.
- The lack of education to basics like what an indicator is, the link between development and business and how to create a business model.

ii) Impact

No tools were reported to be utilized in measuring impact at this stage. In addition, the idea of reporting impact was surprising to some SEs. *“Who should I report to? When we are on our own we don't report. We're too drained in operations that we don't have the luxury of actually measuring the impact.”* (SE1, FGDI, Mar. 20, 2019). Furthermore, it is not easy for young SE considering how to measure such impact(s)/indicator(s) – mean of verification, setting a target value...

The main **challenges** in Stage II with respect to impact were identified to be:

- The strong emphasis on the operations/activities and not giving due emphasis to impact and considering it a luxury for a small SE.
- The confusion about the importance of measuring impact and the need for educating the whole ecosystem on what is social impact and how to measure it.

iii) Finance

SEs agreed that start-up funding was not possible unless the start-up is already established/registered and has been operating for almost 6 months to show capability of the business. SEs expressed the wish to have social development funds but unfortunately this is not available in Egypt. The main **challenges** in Stage II with respect to finance were identified to be:

- The costs incurred to pay the official auditor, accountant, recruit a team were a challenge as they are unable to get funding unless they have operated for a while.

iv) Legal

The legal aspect was one of the mature topics in terms of informal knowledge (through friends and connections) as it is a requirement to be legally recognized for an SE to receive funding. In their views, SEs believe that a social enterprise is fully developed when it is legally established, has formulated a team, have an office location and has a legal accountant.

The main **challenges** in Stage II with respect to legal issues were identified to be:

- Challenges identified with respect to legal issues were “huge” according to 80% of participating SEs due to the vagueness of the legal system and the lack of a unified and trusted source of information.
- SEs have navigated the legal scene through personal research and networks and have made different decisions based on that, although they might have the same problem. The challenge is also the amount of trial and error and time wasted to reach the right registration form of the company or to receive funding entails long of time and effort needed, for getting official approvals, at this vulnerable time of the SE lifecycle.
- SEs have also identified the rigidity of the legal system when it comes to issues like quitting team members that requires re-registration of the company.

c) SEs: Stage III – Growth and Establishment

i) **Organizational Development & Business Management**

When SEs were asked how they would like to grow their business only two participants were able to answer as the rest were still trying to figure out operational challenges. Among the areas identified for growth was content/product provided, quality offered, stronger impact, creating processes to deal with more complexities emerging with growth, using innovation to solve emerging challenges. They all agreed that they have to keep an eye on the financial aspect of the business as this is the driver for any growth.

The main **challenges** in Stage III with respect to organizational development and business management were identified to be:

- There was a consensus that challenges vary across industries and sectors. For instance, ICT sector in Egypt, like other countries as well, might have better chances and abundant of opportunities (investments, access to potential end users, technical support). Some promising sectors, i.e. handicrafts, agro food, starting showing satisfactory success and attracting attentions, such as EU-TVET II programme (2013-2023, Budget 33 Million €).

- Identifying growth was a challenge. Questions arising were “What is growth? What are the criteria?”
- The corporate mindset and culture of some SEs and investors causes a mismatch between the philosophy of social entrepreneurship and the actual Social Entrepreneurship ecosystem causing some SEs to give up their original passion for business development and a sustainable business model to grow the start-up to the next level, moving from social enterprises to classic business ones, even not even collapsed.
- Confusion identified and the need to educate the whole ecosystem on these questions was a common request. It is also essential considering the multi-actors nature of the ecosystem of the entrepreneurship in general and the social one specifically. Stakeholders from various levels (macro-mezzo) should be actively engaged to secure a healthy business development ecosystem in Egypt and improve the impacts of the established SEs, see next point.

ii) Impact

Not many SEs were able to answer how to measure their impact in stage III but among the ideas mentioned were reporting and research. The main **challenge** in Stage III with respect to impact was the general unawareness of how to measure it which is a common finding in this research regardless of the stage. It has to be considered by SESOs to provide the SEs with the tools to develop their own simple monitoring and evaluation plan, key performance indicators (KPIs) and how to measure the progress. Such is more important to SEs than for the regular business start-ups. (Oxfam-MEAL approach is a useful instrument that might be adopted to meet the needs of the SEs).

iii) Finance

SEs who have reported establishing a sustainable source of funding emphasized revenues as the sole source. Some have mentioned fruitful partnerships with the Academy of Scientific Research and Technology, ASRT, in Egypt via its programme called ‘Intilac’ that has to mechanism: supporting the business incubators and providing funding for the start-ups. The programme is not limited to SE. In March 2019, the ASRT launched a new programme ‘101 Accelerator’ to accelerate the growth and scaling up of the start-ups. As part of the new

programme, 20 females-led social enterprises are going to be empowered (2019-2020) in Delta and Upper Egypt.

The main **challenges** in Stage III with respect to finance were identified to be:

- The scarcity in the number of investors and especially impact investors or those who are willing to invest in social enterprises.
- The need to find alternatives like crowd equity investment which is not legally feasible.
- The challenge of the lengthy cycle of payment locally, not internationally.
- Absence of reliable and simple MEAL system at SEs, which can provide confident to investors.

iv) Legal

The general uncertainty on the legal aspect is also reflected on stage III where SEs were not certain about the legal forms of potential partnerships or franchising processes or any needed legal adjustments to their companies. Although they have not explicitly mentioned that but the responses in this section were not directly answering the questions due to the general ambiguity in the legal aspect in Egypt. Even the main **challenges** in Stage III with respect to legal issues were around building quality systems, internally, rather than legally as SEs would not be able to intervene in the Egyptian legislative system but would rather try to set internal processes and documentation to work around the challenges on the macro level.

Other interesting and unsuspected findings in the SE FGD:

The general trend throughout the above questions was the dire need of educating the SE ecosystem, breaking silos and establishing networks for connecting your SEs with more experienced mentors in the ecosystem. The SE education is a general need across the whole ecosystem as it will be seen in the findings of the other components of this research. There is a need to reach a common definition on basic concepts like impact, measurement and KPIs, the right legal structures, etc. There's also a need to equip starting SEs with the needed skills to be able to run successful, impactful and sustainable Social Enterprises.

Among the **skills identified** were creativity, proposal writing, business elements (marketing finance, etc), life/soft skills, and mentoring SEs to exemplify determinism, flexibility, agility, strategic thinking, reflective thinking, consistency, perseverance, stamina, grit and persistence. Last but not least, the need for connecting various social players in a common community within the ecosystem is inevitable. SEs are unable to go to a single

repository to see similar ideas and start-ups and to do conclusive research to identify if they are reinventing the wheel. This has to be backed up by the willingness of the more experienced SEs to help the less experienced as part of their social mandate and the SE philosophy.

Social Entrepreneurs/Enterprises: Support of SEs by SESOs regarding stages and clusters

The collected data of regarding SESO support to SEs reflects the scarcity of the support provided and again the lack of a unified channel to direct SEs in need to SESOs. The specialization under clusters was not possible as the support was scarce especially in the initial stages.

a. SEs: Stage I

In stage I some support has been given by entities like GIZ that encouraged the concept, provided trainings and supported brainstorming activities which was reported to be beneficial. Some SEs reported that they received no support from SESOs at this stage due to the lack of trust and their belief that SESOs were after monetary returns, which SEs could not afford at this stage and discouraged some to approach them as there was a trust issue. It also depends on the SESO's interest in the field or the sector under which the idea is.

Table 4. SESO Support Documentation, Stage I

If <u>yes</u>:	Who Supported you?	How did you find them?	What kind of support was received?	Was it Useful?	What support would you have needed?
Organizational Development and Business Management	GIZ	SE worked there.	Trainings and brainstorming (GIZ)	Yes	Networks and guidance from more experienced SEs through SESOs.
Impact	-	-	-	-	What is Impact and how to measure it.
Legal	-	-	-	-	What is the right legal structure and to find a trusted legal advisor.
Finance	-	-	-	-	Financing sources to set up the company.

Table 5. SESO Lack of Support Documentation, Stage I

If <u>no</u>:	No need?	No service Available?	Too Expensive?	What support would you have needed?
Organizational Development and Business Management	No	Many were not aware.	-	Same as above.
Impact	No	Many were not aware.	-	Same as above.
Legal	No	Yes, but cannot trust them.	Unaffordable, since there was no financing at this stage.	Same as above.
Finance	No	No, not at this stage.	N/A	Same as above.

b. Stage II

Stage II was reported to have more support from SESOs as they were more trusting that the idea was realizable on ground. Some SEs reported to have received financing awards from the World Bank, which enabled them to invest in an office space. Others mentioned receiving awards from the Goethe Institute and Selatak for crowdfunding, based in Doha, Qatar.

Table 6. SESO Support Documentation, Stage II

If <u>yes</u>:	Who Supported you?	How did you find them?	What kind of support was received?	Was it Useful?	What support would you have needed?
Organizational Development and Business Management	UNDP	Through personal connections.	Seed award (\$5,000), Technical Assistance and Business Plan (UNDP)	-	Mentorship; Product and Market identification; Education on the link between business and development in addition to business model support.
Impact	-	-	-	-	What is Impact and how to measure it.
Legal	-	-	-	-	Support on legal issues like reregistration when a team member quits.

Finance	UNDP; Word Bank; Goethe Institute; Selatak.	Personal networks.	Financial award.	Yes	More channels to finance the start-up needs; team, legal advisor, office space, operations.
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Table 7. SESO Lack of Support Documentation, Stage II

If <u>no</u>:	No need?	No service Available?	Too Expensive?	What support would you have needed?
Organizational Development and Business Management	No	Many were not aware.	-	Same as above.
Impact	No	Many were not aware.	-	Same as above.
Legal	No	Not available through SESOs.	-	Same as above.
Finance	No	Available.	No	Same as above.

c. Stage III

Stage III was reported to have the most SESO support where many programs were available for incubation, financing, capacity building like Nahdet el Mahrousa, Awtad, the Women Influencers Program under the Ministry of External Affairs in Holland, Switchers, Positive Innovation Club and Spark news.

Table 8. SESO Support Documentation, Stage III

If <u>yes</u>:	Who Supported you?	How did you find them?	What kind of support was received?	Was it Useful?	What support would you have needed?
Organizational Development and Business Management	Scientific Research Academy, Nahdet el Mahrousa, Awtad, the Women Influencers Program under the Ministry of External Affairs in Holland, Switchers, Positive Innovation Club and Spark News.	Personal networks.	Incubation and funding.	Yes	Education: What is growth and how to measure it?

Impact	-	-	-	-	Education: is impact measured through social or business returns?
Legal	Legal Advisor	Personal networks.	All legal needs.	Not through SESO	SESOs need to provide legal support.
Finance	Legal Accountant	Personal networks.	Measuring business impact.	Not through SESO	The need for more impact investors.

Table 9. SESO Lack of Support Documentation, Stage III

If <u>no</u>:	No need?	No service Available?	Too Expensive?	What support would you have needed?
Organizational Development and Business Management	No	Many were not aware.	-	Same as above.
Impact	No	Many were not aware.	-	Same as above.
Legal	No	No.	-	Same as above.
Finance	No	No, not at this stage.	N/A	Same as above.

2. Workshop of SEs and SESOs

The workshop was conducted through grouping participants into four groups of both SEs and SESOs, each representing a cluster: i) Organizational Development & Business Management, ii) Impact, iii) Finance and iv) Legal. The discussion spanned one hour amongst the groups based on the guidance of the moderators to respond to the challenges that came out of the first FGD. The challenges were printed out and handed out to each of the groups according to their cluster and they were encouraged to add to them as they were part of the discussion. The groups then were given large sheets of paper and markers to present their solutions corresponding to each of the challenges in each of the stages to the rest of the teams. Each team chose a representative or 2 that presented the solutions on 10 minutes and there was an opportunity of 5 minutes of discussion afterwards.

a. Presentation of Challenges and Proposed Solutions:

The challenges were presented in detail under the findings of FGD1, the below tables will refer to them as titles to present the proposed solutions.

i. Organizational Development & Business Management

Table 10. Proposed Solutions to Organizational Development & Business Management Challenges

Challenge	Proposed Solution
Stage I	
Confusion about the term of social innovation.	<p>⇒ Main stakeholders in the teams needed to agree about the terms associated with social entrepreneurship. A proposed lexicon or dictionary of the SE profession is a way to unify the understanding of the various terms.</p> <p>⇒ This has to be tied to the development of educational programs to educate the social entrepreneurship community and specifically to match between social and entrepreneurial aspects, as the confusion was very prominent in the implementation phase.</p> <p>⇒ A national research study has to be put into action to bring together all findings across all sectors and governorates and share the outcomes to the public.</p>
Network and connections.	<p>⇒ A Social Entrepreneurship community has to be empowered and integrated within the whole entrepreneurship ecosystem in Egypt to welcome, guide and support newcomers. This society of Social Entrepreneurship has to be regulated and well-studied, and not just a representation of an isolated segment.</p> <p>⇒ This will lead to a segmented platform that combines all the players in the ecosystem that can be a reference to any needed service or support.</p>
Commit to the idea all the way.	<p>⇒ Sliding into business matter more than having a social impact, to the purpose is lost in amidst the many pressures SEs face especially in the early stages. A pool of mentors in needed to support SEs but needed to be segmented so that investors are identified for each segment. This again resonates with the need mentioned above to have a mapping of the ecosystem.</p>

Education about the SE profession	⇒ Awareness and education both in academia and non-formal education to be able to cater to SEs aged beyond university-age students.
Stage II	
Ideas might fail when implemented in reality.	<p>⇒ Testing a model that is well-researched by prototyping before starting is a prevention mechanism. After 3 months it is recommended to seek consultancy if the change in direction is needed. In that case agility is much needed from the SE's side to be able to accept the required alterations to turn the business model into a success. Such consultancy has to consider as well the social aspect of these SEs.</p> <p>⇒ The problem of conducting weak research and testing before the launch is another contributor to the problem. In addition to availing the information and providing mentorship, the skill of research has to be taught to emerging SEs through the courses that have to be developed.</p>
Stage III	
What is growth? What are the criteria?	⇒ The solution proposed for this ambiguity is capacity strengthening and exposure. Training modules need to be provided to tackle the topics of identifying how SEs can identify their growth strategy. Mentorship, exposure and exchange of ideas are also key.
Impact investors.	⇒ This is proposed to be through CSR of large corporations to be "solid and functional" according to one of the SESOs.

ii. Impact

Table 11. Proposed Solutions to Impact Challenges

Challenge	Proposed Solution
Stage I	
SEs have only a general idea about impact, but are unable to develop KPIs.	⇒ Some SEs proposed the utilization of online platforms like the 'Start-up Launchpad', which includes basic tools to manage and define impact. Any open source tool, in Arabic, can be a viable option for Start-up to use in the beginning to be able to measure impact.

	<p>⇒ The ecosystem should be willing to provide them for free to SEs, on the condition that they report on social impact and not only balance sheets or financial projections.</p> <p>⇒ SEs have to report on the environmental footprint and the social capital that increased in the society as a result of their contributions to the ecosystem.</p> <p>⇒ Once again, the importance of the education system that can provide the basic information about KPIs and monitoring and evaluation.</p>
Stage II	
<p>So focused on operations, impact is considered a luxury for a small team.</p>	<p>⇒ A proposed solution to this is the appointment of interns or fellows to report on the M&E aspect of the enterprise. A proposed pool of qualified interns/fellows are the Lazord fellowship graduates that provides young graduates to work in NGOs/social enterprises to gain experience and at the same time benefit the enterprise.</p> <p>⇒ Another important point that was brought up is the need to agree on a general outline on what the KPIs for social businesses are. This needs to be part of the educational modules to be developed and provided to the SEs and needs to be available to the whole ecosystem as well.</p> <p>⇒ Additionally, the SESOs have to consider the KPIs and Impact Assessment as integral parts, not luxurious. More often, the SESOs tend to monitor only the progress of the business (sales, hiring, revenue, expenditures). The special nature of the SEs has to be considered.</p>
Stage III	
<p>Define social: is it by profit or impact?</p>	<p>⇒ The solution to this problem is again through education and awareness. Names of SESOs like Injaz-Egypt emerged, but the need is larger than the supply. More SESOs need to provide this educational service to equilibrate the need.</p>

iii. Finance

Table 12. Proposed Solutions to Finance Challenges

Challenge	Proposed Solution
Stage I	
<p>Cost of Official Auditor, Office space, etc.</p>	<p>⇒ One solution to this is resorting to incubators, namely Start Egypt, powered by Flat6Labs; they provide seed funding, education, training, coaching, mentors and an office space to brainstorm. Worth noting is that SEs have tried this solution at Stage I but was not feasible to some as they needed to have proof of a sustained idea.</p> <p>⇒ Moreover, design houses are available to actualize ideas into products like Nile University (NU), Cairo Makers, Fablab.</p>
Stage II	
<p>Official auditor/accountant/ recruit people.</p>	<p>⇒ This is covered by incubators again like InnoEgypt, NU and Flat6Labs.</p> <p>⇒ For the team problem, Wuzzuf supporting start-ups program matches pools of sectors with SEs. This service is free of charge until the 10th personnel in hired. Another option is hiring interns as an affordable option from job fairs in universities.</p>
Stage III	
<p>Investors are little in number, social investors are even less.</p>	<p>⇒ Click funding is an option, with no fees incurred on SEs. The model operates through spreading social impact, by taking a percentage of the funding they get SEs.</p> <p>⇒ There's a need to embark on a national policy reform after an intensive research is conducted on start-up challenges in Egypt.</p> <p>⇒ It is inevitable to connect all ecosystem players in Egypt and reform policies. Start Egypt is supported by the International Finance Corporation (IFC), powered by Flat6Labs, is a good opportunity as it can penetrate the political scene and also reach to many governorates.</p>

iv. Legal

Solutions below are across stages as the problems are perpetuated in the system and affect

all stages similarly.

Table 13. Proposed Solutions to Legal Challenges

Challenge	Proposed Solution
All Stages	
Turnover procedures to reregister the company if a founder quits is costly	⇒ Agreements between founders have to be more thoroughly considered, again through education and mentorship on how to choose the right team/partner. ⇒ More options for team members' selection, which can be complimentary, will be provided if the ecosystem has more serious networking opportunities that are channelled more professionally and segmented based on sector.
Finding a trustworthy lawyer who's affordable	⇒ The solution provided was through resorting to family, friends and personal connections.
There's no legal representation of a social enterprise in Egypt.	⇒ Participants called to legalize SEs within the Egyptian legal system.

3. FGD II – Social Enterprises Support Organisations, SESOs:

The second FGD took place on the same day after the workshop, whereby the majority of participants were the SESOs who attended the workshop and came up with the solutions for the different challenges SEs are facing.

SESOs were first asked if they think that the problems and challenges stated in the workshop were the most prominent ones and how important they are. Moreover, the ways SESOs support SEs were discussed and whether the support was appropriate or not and where the gaps are in the support. The solutions developed in the workshop were then discussed for each cluster across the three stages of SEs' development, on whether they were adequate and feasible, also the challenges and barriers for them to implement these solutions and if they recommend better solutions to those developed in the workshop.

The following was the feedback given by the SESOs in the FGD I, regarding their inputs on the problems and solutions discussed in each FGD-I Cluster:

i) Organizational Development and Business Management

Regarding the challenge of not having a specific definition for social entrepreneurship and social innovation that most SEs are facing in stage I, all SESO participants agreed that this is a prominent problem, because it is reflected on various aspects, such as the impact and the value behind the social enterprise, also in the development of the business model and plan. As for the solution of having the main stakeholders develop a well-defined program that has all these definitions clarified, most of the participants did not see this as an adequate solution. They suggested that there has to be a clear process, whereby effective and relevant market research needs to be conducted, in order for social enterprises to find their niche before establishing their start-up. Another problem associated with this, is that there tends to be a bad connotation linked to the term “social enterprise” perceived by funders, investors and big companies. Some companies also consider “Corporate Social Responsibility” (CSR) as social entrepreneurship. Thus, market research should be outsourced and there should be a form of “tailored consulting”. Another problem in this regards, is that by not having a clear definition of social enterprise, there is no cohesion between the business side and the social side, as the start-up starts as a social enterprise, then it tends to shift the focus on the business aspects and the lack of funding makes them focus on fundraising activities, and then they tend to lose the social side of the start-up, which it originally started as.

Another big problem that SESOs found very common with SEs in Stage I is the development of the business model and validating it. Many start-ups do not have the know-how of developing a business model, which also leads to the lack of cohesion between the business and social sides discussed above. Some SESOs provide support in this by giving trainings and mentorship to start-ups in stage I on business skills and design thinking, such as GIZ. Some incubators are also accelerators, whereby they incubate the start-ups at this stage to work on their business plan. The SESOs suggested here boils down to “Education”. There should be specific tailored programs, provided by a third party/ intermediary, that educate young social entrepreneurs on the basic business skills of managing a business, marketing, developing a business model and plan, as well as educating them on the basic terms of social enterprise and understanding the value behind it. The main challenge lies in the current educational programs and the cycles that some incubators currently provide, as they are not tailored for “social” enterprises and they are not sustainable.

As for the solution of creating a community or platform of social enterprises, support organizations and mentors segmented by sectors and industry, to tackle the challenge of not having a proper network and connections and not being able to target relevant investors, SESOs did not find this to be adequate nor easily feasible. Most SESOs support SEs by providing them with networking opportunities, but the main barrier they face that hinders them from creating this platform, is that the social enterprise field is new and it will be quite challenging to have effective mapping of the ecosystem. Many enterprises are in a bubble and work in silos.

SESOs found that there is also an issue in the outreach, since it is challenging to work outside of Cairo or big Capitals and also in choosing who to support, as they are looking for innovators and not only people who label themselves as “social entrepreneurs”. It was recommended by SESOs to have another third party with their main task to be mapping of the ecosystem to be shared with everyone in the community, because there seems to be only individual efforts by different entities in this mapping process, which are not aligned, and thus many efforts become duplicated.

As for the solutions developed for the challenges SEs face in Stages II and III, regarding the organizational development and business management cluster, which were mainly related to sustainability issues, not being able to contextualize and adopt foreign ideas, lack of proper market research, the link between business and development and the lack of knowledge about what can be considered as indicators (KPIs). The main solutions were summed up to having SEs become more educated by taking specific courses to develop themselves and their enterprise, to be well exposed and conduct better market research and pilot testing before initiation of the enterprise. Also, to be agile to listen to experts’ and consultants’ advice to conduct any changes needed. SESOs in the FGD found these solutions to be feasible and they do offer some support in providing networking and funding opportunities. However, there are many barriers to implementing these solutions in a continuous and sustainable manner, as the incubation cycles are usually limited in time and the acceleration cycles are only 4-7 months, thus there is no impact seen from a developmental perspective.

SESOs also highlighted that education would only be effective with people who are proactive to get out of the bubble, they also have to be educated on certain characteristics

that should be developed from within. Education should be provided on all levels, whether for NGOs, support organizations, SEs or even youth aspiring to become social entrepreneurs. Moreover, the macro level/policymakers have to be involved as well in order to get involved in the whole ecosystem empowerment. Another major problem of SEs that SESOs identified in these two stages is the governance structure, especially in the growth stage.

The mapping that was recommended to be conducted by a third party, should be connected with the needs of the local communities. Also, there are challenges in reaching domestic NGOs in the different governorates, especially those in rural and underserved territories, i.e. boarder Governorates. Thus, again SESOs mentioned that the main problem here would be the “outreach”. They suggested to have local someone or an entity, serving as focal points, specialized in searching for, finding and selecting people and leaders in the different governorates that possess specific characteristics and have the potential to become active social entrepreneurs who can actually make a difference and impact in their own communities. The point is not to bring them to Cairo, but to educate them and enable them in their communities and societies.

Another challenge that SESOs found most SEs have in stages II and III is ‘Marketing’, especially in underprivileged areas outside Cairo and big cities. Marketing is a service SESOs should give SEs. Some SESOs look for quick wins and do not want to get out of their comfort zones. It was suggested that they need to get out of their shells and have outreach activities beyond Capitals. The barrier to this is accessibility challenges, as they have the same usual suspects because they have access to them. There has to be “Social Equity”, they stated.

Finally, an important point was raised about the ‘education’ solution, which is that there should be programs offered to universities outside the formal education or curriculum and it should be a long-term program, unlike the entrepreneurship education programs currently offered that are limited to just a few courses and the level of knowledge is not streamlined. The program suggested should stem from the needs and have a practical dimension, in other words taught in an enterprising manner, as stated earlier in the introduction.

ii) Impact

Regarding the solutions that were developed in the workshop for challenges related to impact for SEs in stages I and II, like having basic free management tools for social start-ups, such as “start-up launchpad” or human resources to support social start-ups for free, such as Lazord fellows, were seen by SESOs to be not adequate nor sustainable. The main challenge that was identified in these two stages is that SEs did not have KPIs, did not know what an indicator is nor how to measure their impact. They are usually so focused on the idea and are unaware if they are even on the right track or not. Many SESOs stated that the challenge they face here in supporting SEs in this aspect, is that many SEs actually have problems with impact but consider themselves successful. The SEs are not flexible to change direction if they are advised to be agile for better impact. Impact assessment should be clear and integrated from the beginning from Stage I of a SE. There were several suggestions presented in this regard, one was to have organizations that do impact modelling and to highlight both the social as well as the financial impact. However, this is linked as well with the ‘education’ in order to assist the SE to do the data gathering and preliminary analysis by their selves.

Another suggestion was to have an accredited third party that does “impact audit”, which would be something like an ISO certificate or stamp but for impact. The SESOs’ role would be to help SEs get this certificate. The audit could give certificates for different levels of impact, so they can start by having simple measurements of impact in stage I and then other certificates could be given for more advanced levels. The impact measurement should be extended to SESOs as well as SEs, however measurement should be clarified to differentiate between Social Entrepreneurs and Entrepreneurs.

As for the main challenge that SEs highlighted in stage III, it was not knowing how to define the impact they want to have in the growth and exploration phase, should the growth be horizontal or vertical and does the social value entail a profit element or social impact only. The solution developed in the workshop of having scale education programs for start-ups was seen by SESOs as feasible but challenging to have credible and reliable ‘scale education programs’, since impact is resource intensive. They were urging that they need to have Monitoring and Evaluation (M&E) experts. They also stated that such ‘scale education’ programs and the M&E experts should be made available for both SESOs as well as SEs, as

SESOs need to understand how to measure their impact as well, in addition to having capacity building for their staff to be able to enable SEs.

iii) Finance

The finance cluster yielded many solutions for the different challenges across the three stages in a SE's life cycle. In stage I, where the challenges were revolving around the high costs of having an official auditor and office space and no clear information or guideline on what to do were, it was suggested to depend on incubators that should provide seed fund and education and also design houses such as Nile University, FabLab and Cairo Makers, to help develop the idea into a prototype. Also, to depend on the 3Fs- family, friends and fools for initial funding and finally the most popular solution is 'Education', to involve academia and have courses on developing business models for start-ups. The SESOs' input in this section was that it is usually quite challenging to obtain any kind of funding at this stage of the SE, since investors need to see some sort of output or results before risking any money. They see that the main solution that is feasible again lies in education, yet it should be by an experienced third party to educate aspiring young social entrepreneurs on the basic business skills, how to do a business model, a business plan, a financial model that has good ROI.

For stage II, the solutions seemed to be easily feasible, as the challenges mainly revolved around the costs of hiring more people and having an official auditor and accountant. So, depending on interns and entities like Wuzzuf that supports start-ups to recruit people and match them to suitable enterprises without any fees (up to 10 personnel) are good solutions. Also, relying on coworking spaces to decrease the costs of office rent is very popular lately. The SESOs see that there are bigger challenges here revolving around having a sustainable model, as the auditor will not help in finance, thus it's the SESOs' role to help SEs have a sustainable financial model. The issue was also related to impact and having M&E experts within each SE. They stated that having for example Lazord fellows as free resources for the SE, is a great solution, however they must be trained on M&E, as this is a market need.

As for stage III in a SE, finance becomes really challenging, as investors are not many, especially social investors and the cycle of payment in Egypt is very long and bureaucratic. There is a huge need for 'Crowd Equity Investment', however the barrier to this is that it is

legally not allowed. The solutions suggested in the workshop such as 'Click Funding', raising more awareness on social enterprise, and having policy reforms enforced by people in the ecosystem who should meet regularly, were seen as feasible by the SESOs, yet there are many other things that should be established first to be able to see the impact of such solutions, such as the unity of the stakeholders and the ecosystem, having all these silos aligned, growing and developing the community to become empowered and also to have regional partnerships to increase the network and strengthen the community's imprint in the whole region.

iv) Legal

The legal challenges were mainly highlighted in stages I and II of the SE. Most SEs had a trust issue when assessing a legal advisor, especially in the first stage and the problem of being not knowledgeable about the legal issues in the country adds to this trust issue. The solution suggested regarding having incubators handle these issues might not be adequate because they themselves might not have a complete picture on the law. Moreover, the bad connotation associated with social enterprises made matters worse and more complicated. The main challenge that SESOs find here is that there is no clear legal framework for social enterprises in Egypt. There should be a hybrid model but it does not exist here. There are either non-profit organizations or a for-profit business.

Challenges of SESOs

Participating SESOs were asked about the challenges they are facing in general and the services they feel are missing in the ecosystem. The following main challenges were highlighted:

- No market research services nor know-how.
- Limited supports (technical, investments, partnership...) from the private sector due to various reasons (former political instability [2011-2013], lack of confidence, limited Governmental support and incentives [tax reductions, risk sharing]...).
- A culture that has issues of trust and no transparency in information. This is also exaggerated with data limitation and access of accredited data.
- No shared community, no mentors nor training programs.

- Outreach challenges in reaching local NGOs and how to empower a person or entity that can detect potential social entrepreneurs across all governorates.
- No comprehensive national mapping of the social entrepreneurship ecosystem
- Everyone working in silos and no alignment of the individual efforts – fragmentation of the entrepreneurial ecosystem in general.
- No specialized education and training of SEs and lack of know-how of basic business and management skills, developing a business model, financial plan, assessing impacts and measuring the KPIs, the basic concepts and definition of social enterprise, soft skills, etc.
- No awareness on the importance of social value and responsible citizenship: Most universities offer competitions or funding to help students start a venture, but don't have contests and tools to support them in learning about and then coming up with solutions for the problems they care about in the society.
- Ineffective marketing strategies, especially outside of Cairo.
- Lack of certain information of the ecosystem and research on certain inquiries, such as:
 - Egypt's start-up failure rate: Rate of companies failing vs how many grew to be a national/global brand
 - High-impact entrepreneurs: How many do we have in Egypt where are they mapped and do aspiring entrepreneurs have access to their stories?
 - International success stories: Gathering stories of Egyptian entrepreneurs abroad especially those giving back.
 - Ecosystem map: What is every entrepreneurship ecosystem service provider's suite of services, areas of expertise and key needs. Also what is open source and transferable from their services to be shared with the rest of the ecosystem. This will allow the impact of their work to extend beyond their individual entity and boost the ecosystem as a whole. It is also important to draw out a comprehensive ecosystem & "linkage map" per stage and industry and a "champion networker" map, i.e. what is the flow of information and connections in the ecosystem on an individual, organization and community level.

- What is the profile of Egyptian enterprises: Consumer oriented services i.e. retail, restaurants, hotels, very small employing less than 5 workers, low export orientation, low tech involvement in offering, informally operating (not registered legally), clustering is in Cairo.
- Diaspora network: Entities focused on building a more involved diaspora network. What are the effective Egyptian individuals/diasporas networks?

Conclusion

There is a growing need and understanding of social entrepreneurship in Egypt, as shown by the many efforts and initiatives of different entities. However, since the field is new and the ecosystem is still being established, there are undefined terms of the concept with various unstructured frameworks related to management, impact, financial and legal aspects, across all stages of their development.

In light of the first research question “**What are the goals, actions and challenges of SEs in Egypt and where sufficient support is lacking**”, Figure 4 sums up the needs of the SEs.

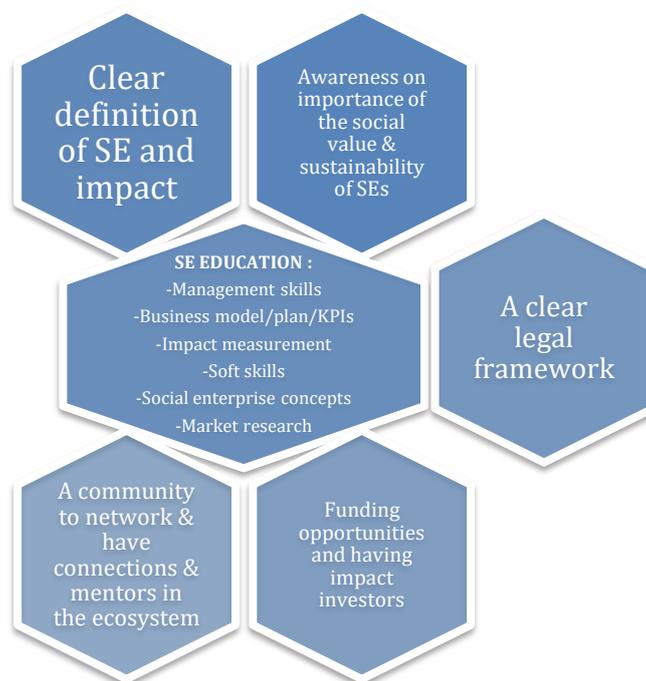


Figure 6. Needs for Social Enterprises (SEs)

To answer the second research question, “**What are the challenges SESOs face in their support of SEs and how are they addressing them, but also more generally in carrying out their operation**”, figure 5 highlights the main challenges and barriers SESOs face.

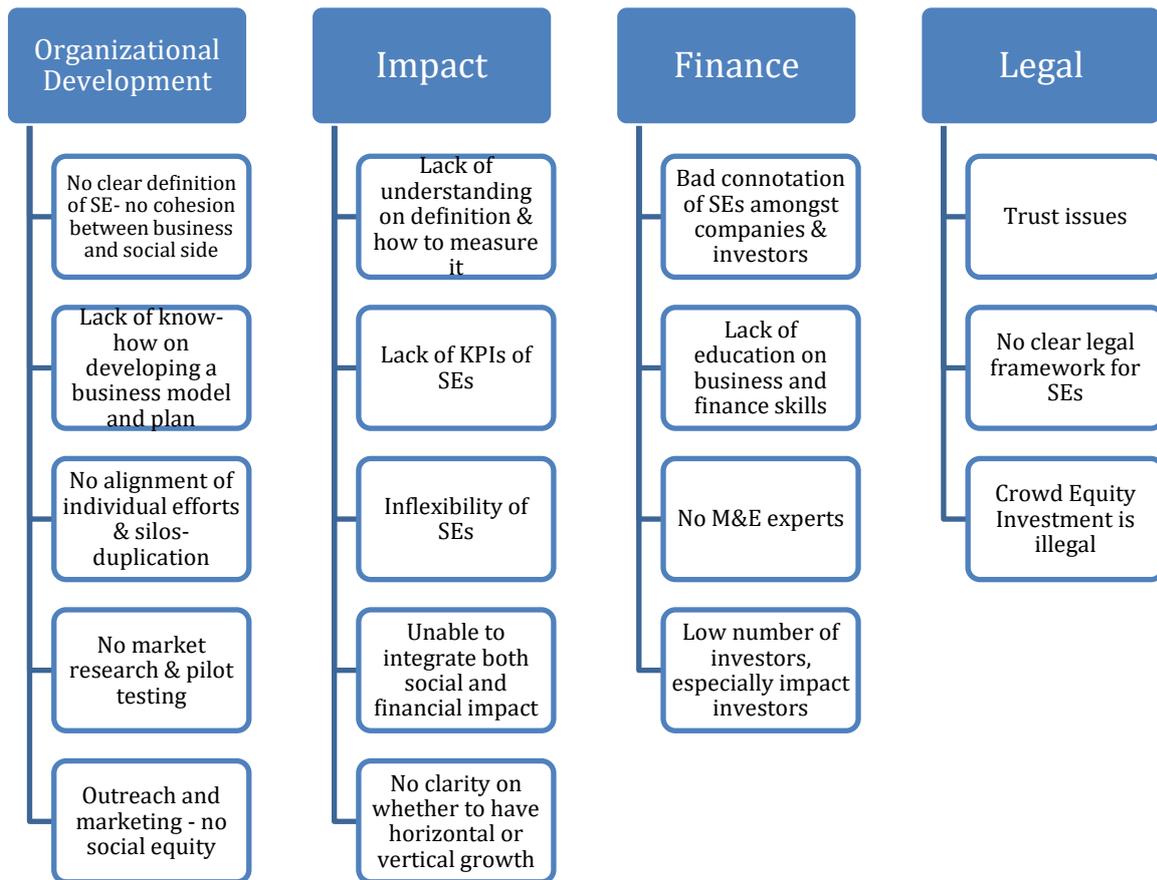


Figure 7. Challenges SESOs face in their support of SEs

The third research question attempts to discover “the SESO support gaps to support SEs”.

Figure 6 highlights the SESO support gaps.

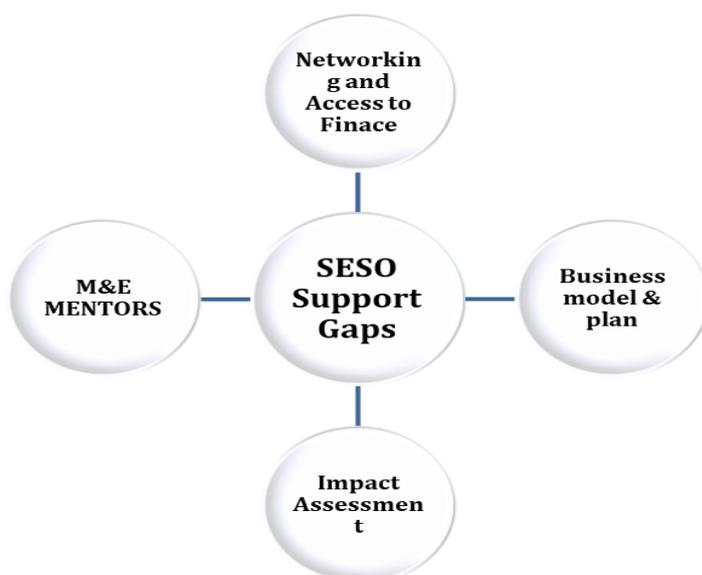


Figure 8. SESO support gaps in supporting SEs

Finally, the final research question discusses “**the goals, actions, challenges and barriers as well as the potential and opportunities of SESOs in Egypt**”. Figure 7 sums up the main challenges and barriers that SESOs find in the ecosystem that prevents them for implementing some of the solutions proposed.

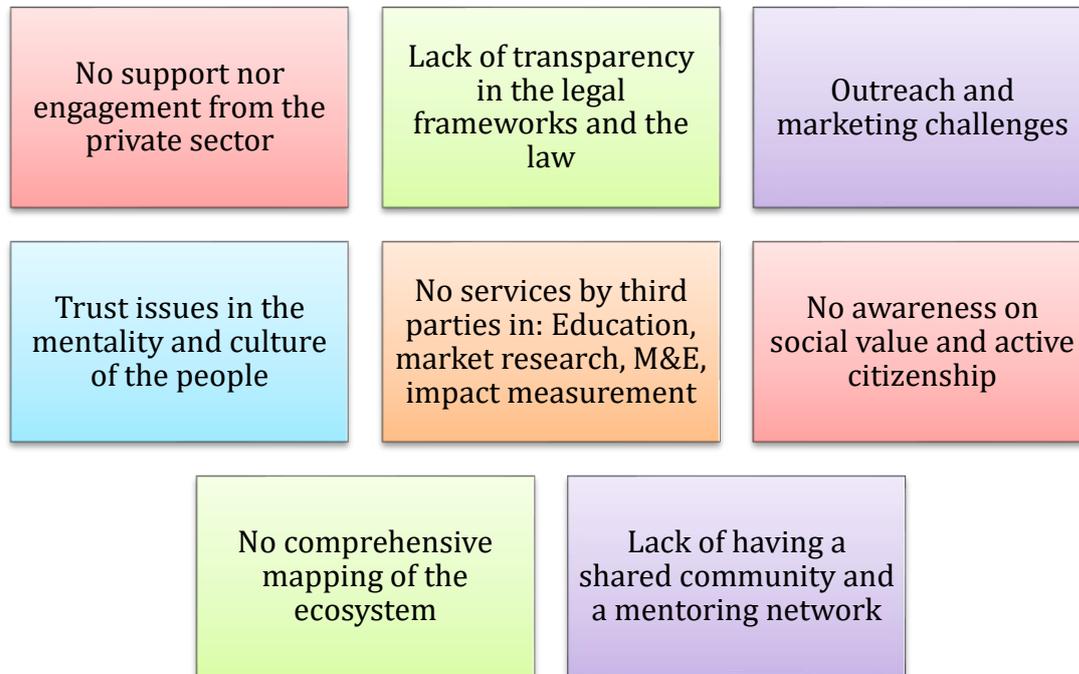


Figure 9. SESO s’ challenges and barriers in the ecosystem

Many findings are also supported by **literature** on the Egyptian social entrepreneurship ecosystem. Research has identified various attempts to promote a social enterprise culture that will be further examined through this research study along with other research questions. Despite those attempts, social entrepreneurs start their businesses in Egypt without any formal knowledge about the entrepreneurial process or know-how (Sheta, 2011). This shows that for Egypt to boost a sustainable economy, it must focus on developing an entrepreneurial curriculum to develop the entrepreneurial skills and knowledge of students and better prepare them to have their own start-ups or secure jobs in organizations that support the community. In addition to this, developing an entrepreneurial curriculum will improve the quality, as well as the purpose and process of education (Hassanein, 2018).

Previous research studies in Egypt showed that in order to promote a more socially aware, sustainable economy, Egyptian support organizations need to work with the country’s

universities to change the curriculum and the way students are taught (Kirby & Ibrahim, 2011b).

The study conducted by Abdou & El-Ebrashi (2015) to further understand the state of social enterprise in Egypt, given the socio economic and political environment they operate in, focused on 4 social enterprise case studies. The study concluded that for social enterprises to prosper in Egypt, they need more support from both the government for policy reforms and from intermediary support organizations (ISOs, referred to later in the Needs Assessment Section as SESOs). Egypt needs to have a new model for development and focus more on transparent collaborations, by decreasing restrictions on funding and legalities for social enterprises to enter the market or expand their work (Abdou & El-Ebrashi, 2015). Moreover, the study shows that people's awareness nowadays of the importance of social responsibility and civic engagement is high, which could be attributed to the 2011 revolution. The other factor that is important for social enterprises to sustain their work, is that there should be more support from ISOs, whether technical and financial support, or support in building awareness and networking among the social enterprises (Abdou & El-Ebrashi, 2015).

Recommendations

In addition to solutions developed in the workshop by both SEs and SESOs and the other suggestions SESOs mentioned in the FGD II, the following section highlights the set of final recommendations by SESOs to further advancement of the social entrepreneurship ecosystem in Egypt from the prospective of empowering the SESOs in order to be able to support the SEs.

- **Focus group services:** it was recommended by entities that support market research to arrange specialized focus groups with a diversity of strangers that gather detailed feedback on the new product. They handle logistics, outreach efforts and possibly even moderating the focus group. An online version of this can be Product Hunt since it is one of the best platforms for crowdsourcing constructive criticism from the community. Building a localized version of product Hunt with screen shot features of the product/service/ application, feedback space and “Get it” button.
- **Online community research & Data Hubs:** Research done across all groups of ecosystem service providers. Ask to access all of the ecosystem service providers and informal online communities and see best case practices of these groups when it comes to engagement and communications and smooth information transfer between its members. Then replicate most effective support models. Such recommendation would be perfectly fit to the MedUp approach of promoting the SE best practices in the MENA countries.
- **Private sector active participation:** work with various actors alongside different value chains such as vendors, subcontractors and potential acquisitions. Such key players will facilitate the access to knowledge, market data, connections, forward and backward integration into their supply chain, lab space and incubation. Support could include access to their advertising channels through smart/digital marketing campaigns on billboards, adverts, radio, as well as social media that allow start-ups to accelerate their reach to their target market as well as more meaningful use of their resources (time, man power, finance...). Space to give entrepreneurs feedback: Services where anyone can submit a feedback or an idea anonymously online and take reactions from others on the idea in a neutral setting. This can be for testing demand for ideas or a way of giving existing companies or ecosystem providers feedback about

their services in an anonymous setting. It can also be for Q & A as a safe space to ask questions and get answers.

- **Transparency Culture and building trust and confident:** SE Ecosystem in Egypt needs to shift the mentality of entrepreneurs regarding transparency and knowledge sharing e.g. SESOs who won over investors share their pitch decks and operating systems that they sent so that everyone can understand the level of homework done and up their games.
- **Mentorship strengthening trainings:** Best mentoring programs are where top mentors train other mentors (ToM). Find ways to make mentorship more effective. In addition, it is needed to have a database of accredited mentors, similar to VC4A, in which start-ups can provide marks and feedback.
- **Self-driven learning strategies:** There are hundreds of articles and courses that can shorten key knowledge gaps but often sharing readings online and expecting receivers to read the recommended materials rarely happens. Study of what works best to stimulate the learning and mastery interest of the early stage entrepreneur.
- **Shadow an Entrepreneur:** A lot of growth comes from mirroring entities that allow aspiring entrepreneurs to seek out local entrepreneurs and ask to observe them on a typical business day. Ask the entrepreneur to share their insights into what it takes to become a successful entrepreneur.
- **Writing retreats:** Getting successful entrepreneurs to go on a retreat to block out time and write short stories capturing key learnings across their journey.
- **Ecosystem-wide newsletter:** publishing the best content and open opportunities and publishing it as a multi-entity newsletter.
- **Community Directory:** Create a directory of the members in the “Greek Campus”; Facebook group and all major industry groups in Egypt. For industry, Chambers of Commerce and the Federation of Industry have to be effectively involved in order to: provide support, databases, access to information, avoidance of repetition.
- **Recommendation Resource Directory:** Skim through all of the Greek campus Facebook group posts and all major industry groups in Egypt and create a resource guide from collective wisdom of key questions answered by the community e.g. recommendations for social media agencies for start-ups.

- **Inspire & “Network entrepreneurs”:** These are entrepreneurs that actively catalyse networks or organizations to grow and scale beyond what their own organization could accomplish alone. They adopt a collective growth mind-set not centred around individual ego leading to systems-level collaborative efforts thriving which is critical given current national and global challenges ahead. (Stanford)
- **Story Curation:** Capture and study stories shared by founders on their personal profiles that are widely read and re-promote these stories with PR-campaigns, media support and coverage to continue to build these high-value start-up journey learning moments. Additionally, raise journalists’ awareness on the art of start-up storytelling. Capturing a map of these stories can also define the missing narratives needed to be told. While the term ‘science communication’ is start booming in Egypt, it is also helpful to initiate what we can call it ‘entrepreneurship communication’, that can assist social entrepreneurs, especially at early stage, to promote their selves. Such new types of professional communication has to be integrated inside the Egyptian SESOs.
- **Start-up Concierge:** A support services team that act as a personal on-demand problem solving expert with the ability to tackle any entrepreneurs’ needs or questions.
- **Standardized start-up profiles:** Since ecosystem entities usually ask each other to get connected to entrepreneurs in a certain field. It would be helpful to standardize the start-up profiles across all entities i.e. specifying minimum data we should all collect for each entrepreneur that applies to our programs. This will enable everyone to have ready lists of potential candidates when needed. For example, when GIZ wanted to sponsor green entrepreneurs to attend El-Rehla mapping out and reaching all of the green entrepreneurs being incubated across different ecosystem services was a challenge. Have there been standardized profiling system for everyone in the ecosystem each entity could have easily filtered their years and years of data and applicants based on industry needed and made quick introductions for those that fit the profile.
- **National database of resources:** Align all the individual efforts and silos in order to move away from just belonging to one entity and instead all entities have access to this pool of resources and can share it with their network, for them to benefit and

grow. In other words, to aggregate all of our start-up directories or ecosystem mapping research, sending out opportunity newsletters to all our communities, etc. the ASRT, with the financial support of the European Commission, under the Europeaid project, TED PPP, has launched the 'Egyptian Innovation Bank', in which inventors and innovators can promote their ideas and products to become entrepreneurs. (<https://eib.eg/?lang=en>)

- **Ecosystem service provider capacity building:** Third parties' entities whether donors or sponsors whose mission is to help develop the service providers themselves and improve the capacity and quality of services. MedUp will consider such types of business capitalists throughout its future capacity building activities.
- **Theory of change awareness:** Third party entities that provide awareness on theory of change and metrics specifically relevant to social entrepreneurs.
- **Educational programs:** Universities and schools that offer different educational modules have to be actively engaged in the process of empowering the Egyptian social entrepreneurs, as well as youth in academia to teach business and leadership skills, social enterprise concepts, impact and soft skills. For instance, 'GIEP | Green innovation and Entrepreneurship Programme', funded from the European Commission under TEMPUS IV programme (<https://www.giep.eu/>). In addition, Egyptian Universities have to be advanced to 4th Generation Ones, that connect researchers/professors, investors and entrepreneurs with the community - offer selling space for start-ups, problem apprenticeship services, legal consultation and a workspace
- **Context Empathy and citizenship education:** Encourage the start of empathy-building programs for youth to connect to issues on a deeper level based on awareness of multiple facets of the problem. One idea is holding movie nights where potential applicants to a themed competition get together to understand the problem on a deeper level for deeper awareness and discussions prior to submitting the solution. We need to provide funding for learning, not just solving. A good example of this is the "Apprenticing with a Problem" funding. Only applicant teams that have lived the problem they are trying to solve or can prove that they have "apprenticed with" it can apply for funds to start-up a venture. Tackling global challenges starts with understanding a problem and its wider context, rather than jumping straight into a

business plan or an idea for a quick fix. Participants are asked to demonstrate a deep understanding of a pressing social or environmental issue by mapping out the landscape of the current solutions and identifying missing opportunities for positive change. Unfortunately, the people who get the funding to try solving global challenges haven't lived those problems themselves.

- **Futurism & Global Trends awareness programs:** To allow for product development to be relevant to critical future challenges this awareness is needed.
- **Transition cycles:** You need success waves to prove it is possible but unlike companies in the ecosystem there is no transition from one generation to the next so that you can advance.
- **B2B connections:** Getting connected to high profile networks in corporate/multinationals for building partnerships in the value chain.
- **Marketplace:** Access to effective marketplace platforms for start-ups. Once again, the Chambers of Commerce will play a pivotal role in this.
- **Information interview capacity:** We need to conduct informational interviews to capture the story of Egypt's 200 top start-ups, to find the common threads and build locally relevant start-up advice.
- **Spotlights on featured start-ups:** Kickstarter pushes its whole community to fund specific handpicked projects on its platform boosting visibility in between the noise. Similarly, if influencers can rally behind a movement to push their networks try a promising carpooling app for example.
- **Marketing assistance:** Entities specialized in supporting with effective marketing assistance. Feedback on marketing material: A service where start-ups have access to high profile marketers who can give feedback on marketing materials and messaging. This is crucial since it affects the strength of the first impressions of a product/service.
- **On-the-Ground business consulting:** receive on-the-ground visits from consultants. Spending a few days working in person allows the consultant to observe the internal processes, dynamics, and culture of the company. It also allows entrepreneurs and consultants to work through specific issues that are challenging to communicate virtually. There is a need for more start-up consults and ecosystem employees who were previously entrepreneurs or who have track records of going through the start-

up journey and can then build relevant programs due to their higher empathy levels and awareness of needs.

- **Grant writing services:** grant writing support services as well as grant provider needs understanding, access, and networking is needed. Based on the EU best practices, such type of services has to be a profit making in order to ensure the sustainability and the high quality of the services.
- **Expansion and export consultants:** Entities to connect local entrepreneurs to domestic, regional and global supply chains. As well as find and verify competitive local businesses and matches them with large international buyers. Entities to collect and translate tenders and send invitations to suppliers to bid, to supply products or services, including training on how to bid on, win, and execute those tenders.
- **Retailers:** Retailers, malls and shops can support by dedicating a certain percentage of their shelf space to promising start-ups. They would be allowed to display and speak about their work on shelf space or in a booth setting in the case of malls.
- **Media:** sponsor start-ups to have a voice e.g. Nilefm giving start-ups radio time
- **Start-up Jobs portal:** Entities publishing and branding of start-up job opportunities
- **Basic income providers:** Entities like Ycombinator/Ashoka/Lazzord that can offer basic income to founders in order not to leave their work and keep experimenting during the 'valley of death' phase.

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Annexes

Annex 1: Participants Profiles

Name	Attending as:	Affiliation	Position	Email	I accept to participate in this research.
Ramona Canaan	SE	d-venture for SI	CEO	Ramonacanaan@d-venture.com	Yes
Mahmoud Mohammed Abdo	SE	InnoEgypt (permanent power source)	CEO of pps	mahmoud.abdo.alfa@gmail.com	Yes
Waleed Wagdy El-Deeb	SE	The Public Policy Hub - AUC	Program Coordinator	waleed.eldeeb@aucegypt.edu	Yes
Ahmed Hamdy	SE	Qomash/Innoegypt	Founder	Ahmed@siyaq.org	Yes
Ahmed Sameh	SE	Emmkan	Founder and CEO	ahmed.m.sameh@gmail.com	Yes
Caroline Nassif	SE	d-venture for SI			Yes
Ghada Al Taher	SE	InnoEgypt	Startup cofounder	gheltahet@gmail.com	Yes
Rania Salah Seddik	SE	GebRaa	Founder and managing Director	Rania@gebraa.com	Yes
Ahmad Abdarrhman	SE	CrowdAid	Founder & CEO	ahmad@crowdaid.io	Yes
Ebrahim rady el sherpiny	SE	Innoegypt (smart solar power)	CEO of smart solar power	Eng.ebrahimnada@gmail.com	Yes
Sara Omar	SE	NCtech	Technical manager	Mha2030@hotmail.com	Yes
Reda Elbonhawy	SE	Innoegypt (permanent power source)	co-founder of pps	redaelbonhawy@gmail.com	Yes
Name	Attending as:	Affiliation	Position	Email	I accept to participate in this research.
Sarah Abou Radwan	SESO	INJAZ	Business Development officer	sarahr263@gmail.com	Yes
Farida Sadek	SESO	INJAZ Egypt	Business Development Sr. Specialist	Fsadek@injaz-egypt.org	Yes
Nahla Ahmed Ibrahim	SESO	Flat6Labs	Monitoring&Evaluation Manager	nahla@flat6labs.com	Yes
Mina Ghaly	SESO	GIZ	Head of social innovation	Mina.ghaly@giz.de	Yes
Ahmed Youssry	SESO	Yomken.com	Managing Director	ayoussry@yomken.com	Yes
Maie El-Mahdy	SESO	GIZ	Junior Advisor	maie.elmahdy@gmail.com	Yes

Lenah Hafez Mostafa	SESO	StartEgypt-Powered by Falt6Labs	Research	Lenahhafez@gmail.com	Yes
Amin safwat	SESO	Takatof foundation	Director	Amin.safwat@takatof-egypt.com	Yes
Salma El-Sayeh	SESO	Ahead of the Curve	Deputy Managing Director	Selsayeh@ahead-ofthecurve.com	Yes
Ayman Shehata	SESO	Elre7la	Managing Partner	ayman.shehata@elre7la.com	Yes
Magda	SESO	Egyptian entrepreneuruts	Founder	magdaali70@aun.ed.eg	Yes
Omar Rabie	SESO	GIZ	Advisor	Omar.erabie@gmail.com	Yes
Dalia Said	SESO	Elre7la	Learning Experience Director	dalia.said@elre7la.com	Yes

Annex 2: Questions and structure for FGD I for SEs

FGD I: SE

Participants: Social Entrepreneurs.

Facilitators: Moderator + Recorder/Assistant Moderator.

Duration: 90 minutes.

Structure:

Intro:	10 min – Moderator explains the flow of the FGD
Discussion:	25min – Discussion through core questions/clusters regarding stage 1
Discussion:	25min – Discussion through core questions/clusters regarding stage 2
Break:	15min
Discussion:	25min – Discussion through core questions/clusters regarding stage 3
Close:	5min – Summary of findings. Quick intro into workshops and asking SEs to make a choice which cluster for the workshop they want to participate in.

Intended output:

- Main goals and objectives of the SEs for each stage regarding each cluster
- Actions that SEs have taken and tools they have used to reach these goals in each stage regarding each cluster
- Main challenges and barriers to reach the goals regarding each cluster in each stage
- Relevant actors that SEs have interacted with in each cluster

Material:

Table:	Challenges for each stage
Table:	Stage overview with clusters and core questions

Stage 1: IDEATION AND INCUBATION (25min)

The following guideline questions were asked by the moderator:

Organizational Development & Business Management

a) Idea development

- How did you come up with your business idea?
- What was your process? (Was it intentional or unplanned?)
- What helped you in the process? (People; Training materials; Other tools, else?)
- What help would you have needed?

b) Did/Do you have clearly defined mission & vision of your business?

- How was the process of developing mission and vision?
- What were your challenges?
- Have you already started with developing a business plan?

Impact

- How did you decide on your intended impact?
- How do you (want to) measure your impact?

Legal

- What is the level of your legal knowledge?
- Are you in touch with a legal expert?

Finance

- Do you have the idea for the initial funding of your project?
- Do you know of support structures to finance your prototype/research?

SESO Support

- Did you receive support in the different clusters?

<u>If yes:</u>	Who supported you?	How did find them?	What kind of support did you receive?	Was it useful?	What support would you have needed?
Organizational Development &					

Business Management					
Impact					
Legal					
Finance					

If <u>no</u>:	No need?	No service available?	Too expensive?	What support would you have needed?
Organizational Development & Business Management				
Impact				
Legal				
Finance				

Additional Questions: Skills & Network

- Which skills have helped you being successful at this stage?
- How was your network involved at this stage?
 - How did you engage with your network?

Stage 2: START UP

The following guideline questions were asked by the moderator:

Organizational Development & Business Management

- a) Business Plan
 - Do you have a fully developed business plan?
 - What was your process developing it?
 - How do you ensure your business’s sustainable growth and development?
 - What helped you in the process? (People; Training materials; Other tools, else?)
- b) Business Systems
 - Do you have well developed internal processes? What systems/software do you use?

- What systems do you wish existed?

c) Marketing & Sales

- Do you have a developed marketing & sales strategy?

Impact

- Which tools do you use to measure your impact?
- How are you reporting on your impact?

Legal

- Have you registered your company?
- How do you generate the contracts for your employees?
- What are other steps are important to become a fully operational social enterprise?

Finance

- What are the funding opportunities for you to get the start-up funding?
- Do you know any funding bodies that will help you to get a loan/access to social finance? / Can you list the main stakeholders that you can partner with?

SESO Support

- Did you receive support in the different clusters?

If <u>yes</u>:	Who supported you?	How did find them?	What kind of support did you receive?	Was it useful?	What support would you have needed?
Organizational Development & Business Management					
Impact					
Legal					
Finance					

If <u>no</u>:	No need?	No service available?	Too expensive?	What support would you have needed?

Organizational Development & Business Management				
Impact				
Legal				
Finance				

Additional Questions: Skills & Network

- Which skills have helped you being successful at this stage?
- How was your network involved at this stage?
 - How did you engage with your network?

Stage 3: GROWTH AND ESTABLISHMENT (25 min)

The following guideline questions were asked by the moderator:

Organizational Development & Business Management

- How do you want to grow your business further?
- How do you ensure your business's sustainable growth and development?
- How do you want to increase the efficiency of your management?
- What would you change to improve the organisational structure of your SE?

Impact

- What are the regular practices for impact measurement in your SE? (How often: periodically/what tools/dissemination forms of the results)

Legal

- Are you familiar with legal forms of potential partnerships or franchising process?
- Is the present legal status of your company still relevant to your business?
- Is there a necessity for adequate adjustment of the legal status of your SE?

Finance

- Have you established a sustainable source of funding?

- Have you explored opportunities for partnerships with various stakeholders within your sector? (Corporate partners, other SEs, NGOs, government etc)

SESO Support

- Did you receive support in the different clusters?

If <u>yes</u>:	Who supported you?	How did find them?	What kind of support did you receive?	Was it useful?	What support would you have needed?
Organizational Development & Business Management					
Impact					
Legal					
Finance					

If <u>no</u>:	No need?	No service available?	Too expensive?	What support would you have needed?
Organizational Development & Business Management				
Impact				
Legal				
Finance				

Additional Questions: Skills & Network

- Which skills have helped you being successful at this stage?
- How was your network involved at this stage?
 - How did you engage with your network?

Annex 3: Questions and structure for workshop for SEs and SESOs

Workshop for SEs and SESOs

Participants: Social Entrepreneurs and Social Enterprise Support Organisations

Facilitators: Moderator / Each group appoints 2 participants to present findings

Duration: 90 minutes (2 x 45mins with 15min break between suggested)

Structure:

Intro: 10 min – Intro and division into 4 cluster groups (SEs have decided in previous session, SESOs should be divided by relevant cluster)

Workshop: 15min – Problem presentations and problem definition

20min – Ideation and Choice of Solution

Break: 15min

Workshop: 20min – Further Development of Solution

Presentation: 25min – Presentation and discussion through the developed solutions

Close: 5min – Close. Thanks SEs and remind them about the online survey that will be sent out to them.

Input: Challenges for each cluster from FGD I

Output: Solutions developed in the workshop, divided by stage

Material: Overview sheet for developed solutions per cluster (See ANNEX III)

Note: The workshop is to develop solutions to the challenges presented by the SEs. It is not to develop solutions for SESO challenges.

1) Problem presentations and problem definition (20min)

- Presentation of the different problems in the cluster by SEs
- Development of relevant problem statement and HMW (“How-Might-We” questions)

2) Ideation and Choice (20min)

- Development of ideas and solutions regarding the HMWs
- Choice for one of these idea

3) Further Development (20min)

- Further development of the idea
- Preparing a presentation about the idea

4) Presentation and Close (25min)

- Presenting for 5 mins before others

Annex 4: Questions and structure for FGD II for SESOs

FGD II for SESOs

Participants: Social Enterprise Support Organisations.

Facilitators: Moderator + Recorder/Assistant Moderator.

Duration: 90 minutes (55min+35min with 15min break between suggested)

Structure:

- Intro: 5 min – Moderator explains the flow of the session
- Stage 1: 25min – Discussion: Challenges & Solutions of SEs Solutions, challenges SESOs see regarding viability or implementation
- Stage 2: 25min – Discussion: Challenges & Solutions of SEs Solutions, challenges SESOs see regarding viability or implementation
- Break: 15min
- Stage 3: 25min – Discussion: Challenges & Solutions of SEs Solutions, challenges SESOs see regarding viability or implementation
- Close: 10min – Thanks SESOs and remind them about the online survey that will be sent out to them

Input: Solutions developed in the workshop, divided by stage

Output: Goals, actions, challenges and barriers, as well as the potential and opportunities of SESOs.

Material: Stage overview with clusters and core questions (See ANNEX VI.I-III)

Note: The solutions developed in the previous workshop should only served as one of the aspects to find out what were the needs of SESO.

The **focus of this FGD is to identify the SESO needs**, taking all aspects into account.

FGD Guideline

For each stage (I-III):

- We discussed the problems the SEs have identified
 - From your experience as a SESO, are these problems the most prominent?

- How important are they?
- SESO support
 - How do you usually provide support: Workshops / 1-1 support / Networking?
 - Is the support that the SEs receive appropriate for that moment?
 - Where do you see gaps in the support?
- Discuss the solutions that were developed in the workshop
 - Are they adequate?
 - Are they feasible?
 - Do you see better solutions?
 - What are the challenges and barriers for SESOs to implement these solutions?
- Tools / Guides / Resources / Methodologies
 - Which ones do you use?
 - Which ones do you find most effective?
- What are the intra-SESO challenges (not stage-specific)
 - Which development stage can your SESO relate to?
 - Which skills have you found crucial to succeed in supporting SEs?
 - Laws and regulation, other interaction with government
 - Financing and other support of SESOs
 - Network, collaboration, and interaction with other actors
 - Training and knowledge-transfer, lack of expertise
 - Market, products and doing business
 - Spread of the concept of social entrepreneurship
 - Human resources (employing, education)
 - Management/Structural challenges
 - Future vision about the SE sector
 - Impact measuring/reporting

Annex 5: Consent form of participants

Section 2 of 3



Participant Consent

On behalf of the country partner (Sekem) of the MedUp project organized by Oxfam, we would like to kindly invite you to participate in a research study. The objective of the project is to promote an enabling environment for the development of the social entrepreneurship sector in the Mediterranean region, as a driver for inclusive growth and job creation. This is a needs assessment study which aims to: Identify the support and capacity building needs of Social Enterprise Support Organizations (SESOs) operating in MENA region.

In order to achieve this aim, the project partners are requested to collect answers to the following main questions:

- What are the goals, actions, challenges and barriers, as well as the potential and opportunities of Social Enterprise Support Organizations (SESOs). Specifically, what are the challenges SESOs face in their support of Social Enterprises/Entrepreneurs (SEs), how are they addressing them, but also more generally in carrying out their operation.
- To identify SESOs and support gaps in the support of SEs, this needs assessment also seeks to find more out about the goals, actions, challenges and barriers of SEs and where sufficient support is lacking.

The procedures of the research will entail a focus group and a workshop for further reflection.

*There will not be any risks or discomforts associated with this research.

*The information you provide for purposes of this research is confidential.

*Questions about the research, rights, or research-related issues can be directed to Aisha Khairat at 0100-5758407.

*Participation in this study is voluntary. Refusal to participate will involve no penalty or loss of benefits to which you are otherwise entitled.

I accept to participate in this research. *

Yes

No