



## Women's Social Entrepreneurship in

# **IITALY**

Creating shared value by addressing and tackling unmet social needs

Women social entrepreneurs in Italy are promoting innovative community-based solutions which are accelerating social change

**SNAPSHOT** 

\*Out of 31 women surveyed



200,000€

Average yearly revenue (with huge variances).



On average **63%** of profit is reinvested back into the social mission

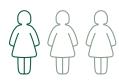


Average length of operation of a woman's social enterprise is

**6 YEARS** 



On average of income is 80% market-based revenue



#### LESS THAN 1/3

sustain their household entirely with the income from their social enterprise

"Our ultimate goal is to build a new inclusive system."

#### Luciana Delle Donne

FOUNDER OF MADE IN CARCERE

(Eco-fashion handmade and designed by women prisoners)



#### **KEY FINDINGS**

#### **ECOSYSTEM**

• Around 13,000 legally recognised social enterprises; more than 82,000 de-facto social enterprises; 61,000 profit-oriented enterprises providing social utility services and goods • In 2011, social enterprise sector contributed 3.4% to the Italian GDP • Higher percentage of men than women in the social innovation field (Ashoka Italy,2015)

#### **SECTORS**

 Local Development and Social Cohesion, Social Care & Protection, Education, Professional Services

#### **MISSIONS**

 Diversity Inclusion, Workforce integration, Education, Women's Empowerment, Circular Economy

#### **MOTIVATIONS**

• Tackling unmet social needs in innovative and ethical ways with a strong social impact

#### **BARRIERS**

• Limited funding and complex and fragmented legislative framework • Societal attitudes

#### **GENDER**

• Women social entrepreneurs: contribute to women's empowerment in the country; manage their social enterprise in a more participatory and collaborative manner; perceive themselves to be more connected to, and have more passion for their social mission; face more complex challenges in business creation than male social entrepreneurs.

#### **IMPACT**

• The majority measure social impact and seek to have individual and societal level impact

#### **TABLE OF CONTENTS**

p2 Background • p3 Women Social Entrepreneurs • p5 Social Impact • p6 Recommendations for Policy Makers • p6 Works Cited • p6 About the Project



**BACKGROUND** 

# SOCIAL ENTERPRISE IN ITALY

#### **Ecosysten**

With a rich and fragmented ecosystem, the Italian landscape has its root in a long tradition of community engagement as a response to unmet social needs (Borzaga & Galera, 2012). Over the past few years, several initiatives undertaken by national and local authorities have contributed to the sector development. At the same time, networks and mutual support mechanisms have played a fundamental role in raising awareness of the general public and policy makers on the subject. Generally speaking, Italian social enterprises contribute to the generation of jobs and new employment by developing new solutions to social issues.

#### **Legal Format**

The Italian legal framework recognises and regulates social enterprise activity. Particularly, with the 381/91 Law, social cooperatives obtained legal identity. The Act on Social Cooperatives (Law no. 381/91) classifies social cooperatives in two different types: A-type which supplies social, health and educational services and, B-type, integrating disadvantaged people into the labor market. In 2005, the social enterprise legal status was introduced via the Law on Social Enterprises (Law no. 155/2006). The Law provides a legal category in which all eligible organisations regardless of their legal form may be included. In order to enjoy the qualification, certain requirements have to be met: being a private organisation; performing an entrepreneurial activity of production of social utility goods and services; acting for the common interest and not for profit (Fici, 2006). However, the social enterprise status does not provide any fiscal advantages or incentives, but just a label. This is distinct from the situation of 'social cooperatives', which benefit from favourable tax conditions. As result, very few entities have adopted the legal brand of «impresa sociale».

#### Size of Sector

According to 2014 IRIS Network Report, there are around 13,000 legally recognised social enterprises. Specifically, 12, 570 entities are represented by social cooperatives, which is the main form of social enterprise in Italy. On the other hand, just 774 organisations are established in accordance with Law 118/05 and registered in Section L (social enterprises ex lege). Beyond the regulatory framework, more than 82,000 de-facto social enterprises are active in the Italian economy. This social enterprise potential (Venturi & Zandonai, 2012) is composed by nonprofits entities pursuing social goals and oriented towards productive activities; and other organisations engaged in the production/exchange of goods and services of social utility. Moreover, there are 61,000 profit-oriented enterprises operating in the sectors of activity specified by Law 118/05.

#### **Activities**

Italian social enterprises are particularly active in the social care and civil protection sector, but also economic development and social cohesion, health, education and research.

#### Challenges and Opportunities

A limited funding system, lack of public resources and social investment affect the long-term development of Italian social enterprises. Additionally, sustainability issues related to late payments occur in social enterprises engaged with public procurement. Furthermore, social enterprises face growing competition from profit-oriented organisations working in the socially relevant sectors. The current discussion on the Third Sector Reform should contribute to improve the regulation of the non-profit sector. Currently, the Senate Constitutional Affairs Committee is in charge of discussing the draft law approved by the Council of Italian Ministers last July 2014.



### Urbano Creativo Emanuela Donetti

Urbano Creativo, co-founded by Emanueala Donetti, is the first women-led start-up dealing with technology and innovation in Italy. A highly technological and innovative start-up, its mission is to implement digital change in the urban environment.

Spurred by a love of technology and a growing interest in rapidly developing urban sector, Emanuela jumped at the opportunity to innovate at the intersection of technology and urban issues. After her first start-up failed, an experience she chalks up to lack of experience and maturity, she kept pushing forward, eventually winding up in her current position of Smart City Project Developer at Urbano Creativo. She has since become a pioneer in introducing the concept of the 'smart city' in Italy, as well as a role model for women in technology.

A professional dreamer, Emanuela feels that her mission "is to change the world". For her, the decision to become a social entrepreneur was quite logical, allowing her to align her 'un-conventional life' with her career path. From a gender perspective, Urbano Creativo is strongly women-oriented. "Urbano Creativo is a project with a strong gender approach", Emanuela notes. "We started a new era for women in the technology and innovation field. Today, it is quite easy to find women in the technology sector, but in the past it was really difficult".

Today, Emanuela is amongst the 100 most influential women working in the digital sector in Italy.

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#### **Motivations**

As shown by the 10 in-depth interviews and the 32 women surveyed for this research, Italian women social entrepreneurs are primarily motivated by an "innovative idea for product, service, process, or market". "Responding to an unmet need in the community" and "seeking to make a specific social impact" also play a fundamental role in starting a social enterprise. Another important motivating factor is "to create a more ethical model of doing business". In summary, innovation, ethics and social change are the main forces inspiring Italian women to start a social enterprise.

## Innovative Solutions to Unmet Social Issues

Providing innovative and concrete solutions to tackle specific social gaps is the main motivation for starting a social enterprise in Italy, especially in marginalised or complex communities.

"Social innovation appears as a result of challenging contexts"

argued Simona Palese, founder of DueVerticale (urban storytelling supporting community development) and co-founder of Stai Sinegico (a co-working space promoting sharing economy practices in South Italy). Similarly, Luana Stramaglia - founder of Fork in Progress (a teaching kitchen that develops intergenerational solidarity) - noted that the choice to locate her activity in her native town is related to a specific community development objective.

"Living in a metropolis and in a country in crisis, made me more sensitive towards community needs"

said Rossella Palma, founder of Babysitter Creative, an organisation which provides eco-innovative babysitting services. Thus, civic engagement drives women towards the SE path. As noted by Monica

Mureddu - founder of Sardinia Innovation (the first magazine on innovation in Sardinia) her entire professional life is a tool to help her community.

Usually, these unmet social needs are related to personal experience. Serena Baldari - co-founder of the L'Alveare ( a mother-friendly co-working space) and La città delle Mamme (an association whose mission is to support parenthood) - explained that her personal experience balancing motherhood and professional life was extremely relevant to her involvement in parenthood-related services, first as volunteer and then as entrepreneur. "The idea is deeply rooted in my academic background, my official job, my personal life and, the current context" affirmed Barbara Imbergamo, founder of Pariqual, an organisation which provides creative equal opportunities games.

#### **Being Ethical in Business**

As the in-depth interviews revealed, most Italian women social entrepreneurs are on the front line in the struggle to create alternative business models.

After a long career in the private sector, Laura Orestano - founder of SocialFare, whose mission is to catalyse, generate and create solutions for the common good - decided to find a way to balance financial sustainability and social impact. The SE structure was perfectly aligned to her mission. Similarly, Luciana Delle Donne - founder of Made in Carcere (Eco-fashion handmade and designed by women prisoners), is an ex-bank manager who is currently engaged in building an innovative business model starting from people, spaces and objects which are forgotten or marginalised. Delles' ultimate goal is to "build a new inclusive system".



### Gender and Social Entrepreneurship

Our survey revealed that Italian women do not perceive specific difficulties compared to men in starting a social enterprise. However, the 10 indepth interviews have revealed some prejudices and negative attitudes as a result of being a woman, especially in a sector with a higher presence of men. "It's hard to be a woman entrepreneur. *Nevertheless, there is a growing support* from many men" said Laura Orestano. Despite the fact that the Italian third sector is a sector led by women due to their proximity to social issues, social innovation in particular is driven by men. As recently pointed out by Ashoka in its Map of Social Innovators in Italy, women are just 336 out of 1000.

#### **Gender Roles**

Interviewed respondents indicate that being a woman affect the founder's relationships with collaborators, partners, providers and beneficiaries. Interactions and exchanges are influenced by what interviewees refer to as a 'female sensitivity' and a specifically female approach. Moreover, motherhood and family are positively affected by SE activity. "My personal life has been affected by my activity. I work more now than in the past, I have less free time for myself. However, I can better manage my work-life balance" said Serena Baldari.

In some cases addressing traditional gender roles is the primary concern for women social entrepreneurs. "As women, it has been natural starting an enterprise focused on childcare activity. However, our idea is to remove any genderisation about this activity, reestablishing it as dignified work within the society" said Rossella Palma.

#### **Gender Equality**

The social entrepreneurship (SE) path seems aligned with the desire of many women to explore and unpack issues of gender equality. For some women, addressing gender equality is part of their primary mission from the beginning. "We develop fun and creative games [...] to challenge

gender stereotypes and to embrace all the different family types and sexual orientations existing in the world" said Barbara Imbriani. As Simona Palese noted, "My enterprises are the result of a female path towards a new approach to gender issues". Similarly Luciana Delle Donne noted the importance of "collaboration and cooperation amongst and with women" to the mission of her enterprise.

In other cases, the gender dimension is not taken into account at first, but becomes increasingly relevant and important over time.

"At the beginning, we had no gender dimension. Now, women are central in my project" stated Luana Stramaglia.

Regardless of whether or not their mission specifically focuses on gender or women's issues, 93 percent of women surveyed feel they are contributing to gender equality in Italy with their social enterprise.

"Gender equality (in all aspects of life) is needed to solve issues and overcome difficulties" noted Serena.

#### **Women's Empowerment**

Eighty-six percent of Italian women social entrepreneurs see themselves as contributing to women's empowerment. Additionally, 90 percent feel that they empowered themselves through the process of starting or running a social enterprise.

"Women's empowerment is not the objective of my activity, but the result" said Monica Mureddu.

Furthermore, the majority of women interviewed remarked that their entrepreneurial project changed them, often radically.



Achieving a social impact at the community level is a strong motivation force behind women's decision to start a social enterprise, and it appears that women social entrepreneurs are having a great deal of success in this area. Italian women social entrepreneurs are able to catalyse and mobilise their community on a specific issue, and this leads to measurable social impact.

"Yes, I can measure our social impact in the number of new partnerships, activities, beneficiaries" said Laura. New awareness, participation, co-operation amongst members, partnerships, and shared values are amongst the social impacts reported by interviewees.

"I've seen an improvement in the lives of marginalised people" noted Luciana. However, while women social entrepreneurs have been very successful in creating shared values, as Monica notes, "there is still a lot of work to do in achieving a good level of social innovation".



### Francesca Fedeli Fight the Stroke

Often a personal story or experience leads women to create a social enterprise. For Francesca Fedeli, who had previously had a career in the marketing sector, it was her son having a stroke which motivated her to start a social enterprise.

In 2013 she founded Fight the Stroke (FST) whose mission is to develop a holistic approach to the issue of pediatric strokes. Fight the Stroke is an organisation which "provides families with a coping mechanism to understand what has happened to their children, to feel supported by an international network of parents who share the same situation and to engage in their children's rehabilitation at home" 1. "After my son's stroke, my previous job did not satisfy my need of social impact" said Francesca. "Fight the Stroke changed my life: (it brought me) new energies, more work, less money... but happiness".

Her story confirms the social impact achieved by women social entrepreneurs at the community level. Not only has she been successful in raising awareness about a particular medical issue, but she has also promoted and facilitated community building amongst families. Responding to gender issues, Francesca revealed "As woman and mum, I faced some prejudices from the scientific world". Her story thus also contributes to a vast and growing body of anecdotal evidence describing the discrimination faced by women within the scientific community.

As influencer and leader on the pediatric stroke, Francesca was invited to sit on the Board of Directors of the International Alliance for Pediatric Stroke. Moreover, she published a book "Fight and Smile: A Story of Love and Science". Recently, Francesca has been selected as the First Ashoka Fellow in Italy.



- \*Promote a legal, regulatory and fiscal framework that ensures the development of social enterprises. By improving the existing legal and regulatory framework, complexity and fragmentation can be overcome.
- \*Move forward with Third Sector Reform, which is still pending in the Italian Parliament.
- \*Stimulate the emergence of a strong financial marketplace for social enterprises.
- \*Support the visibility and recognition of women's social entrepreneurship, facilitating mutual learning and capacity building.
- \*Sustain the access of social enterprises to markets. For example, through making public procurement more open to the social enterprise sector.
- \*Improve business development services and support structures.

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## Personal interviews with the following social entrepreneurs:

Barbara Imbergamo (Pariqual)
Emanuela Donetti (Urbano Creativo)
Francesca Fedeli (Fight the Stroke)
Laura Orestano (SocialFare)
Luana Stramaglia (Fork in Progress)
Luciana Delle Donne (Made in Carcere)
Monica Mereddu (Saridina Innovation)
Rossella Palma (Babysitter Creative)
Serena Baldari (La città delle Mamme, L'Alveare)
Simona Palese (Due Verticale; StaiSinergico)

#### **ABOUT THE PROJECT**

This mini-report is based on primary empirical data gathered by Valentina Patetta from May to July 2015 in Italy, on behalf of European Women's Lobby. Data was gathered via desk research, in-depth semi-structured interviews with 10 informants using feminist interview methods, and an internet survey available in Italian and English which was taken by 32 respondents.

These findings are part of a 1-year pilot study initiated by the European Women's Lobby entitled WEstart: Mapping Women's Social Entrepreneurship in Europe. Focusing on 10 European countries, WEstart seeks to gain a better understanding of the situation and state of play of women's social entrepreneurship in Europe.

For more details about WEstart visit: www.womenlobby.org or www.WEstartEurope.org

#### PHOTO CREDITS

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p. 5  $\ensuremath{\mathbb{C}}$  Francesca Fedeli at TED (2013), Reprinted with permission.



