



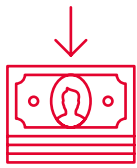
# Women's Social Entrepreneurship in **SWEDEN**

Driven by a passion for social change, in Europe and abroad

**Long active in the country's social sector, women social entrepreneurs in Sweden are running successful social enterprises with both national and international impact.**

## SNAPSHOT\*

\*Out of 28 women surveyed



Over half of women surveyed have an annual revenue of **more than 50,000€**



Average length of operation of a woman's social enterprise is between **3 & 5 YEARS**



**44%** of women social entrepreneurs have care responsibilities



**90%** of the profits are reinvested back into the organisation's social mission (by the majority of women social entrepreneurs)



The majority have upwards of **61%** of revenue coming from the market



Between **1 and 3** full-time jobs are generated by women-led social enterprises on average

"To work for something you know is making a difference is so much bigger than becoming a millionaire"

**Nina Forsberg**

CO-FOUNDER OF BARISTA CAFES

(a social enterprise that offers fairtrade coffee and supports a UN program for children's education)

## KEY FINDINGS

### ECOSYSTEM

• Approximately 310 social enterprises in Sweden as of 2014 • No official ministry or agency responsible for social enterprises, no legal form of "social enterprise"

### SECTORS

• Health and Social Services, Information and Communication, Education, Administration

### MISSIONS

• Health, Education, Diversity Inclusion, Children and Youth

### MOTIVATIONS

• Personal experience with a social issue, passion for social change, innovative idea for a new process or product, desire to acquire new skills and grow professionally

### BARRIERS

• Lack of funding, lack of visibility on the national level, structural and political barriers, lack of role models/successful examples

### GENDER

• Women manage their social enterprise in a more participatory and collaborative manner • Women perceive themselves to have more passion and to be more connected to their social mission than male social entrepreneurs

### IMPACT

• High revenue and job creation, positive public awareness of specific social issues • The majority measure social impact and seek to have national level impact



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## BACKGROUND

# SOCIAL ENTERPRISE IN SWEDEN

### History

In Sweden, the term social entrepreneurship was introduced in the 1980's. However, there is no clear and commonly used definition of a social enterprise. Often social entrepreneurship is used interchangeably with, social work or staff cooperatives, non-for-profit organisations, and community enterprises.

### Legal Format

Additionally, there is currently no specific legislation or type of company designated specifically to social enterprises in Sweden. The same laws and regulations that apply to traditional enterprises apply to social enterprises. Social enterprises can legally be titled as a cooperative, non-profit association, limited company or with restricted distribution of profits or foundation.

### Sectors

Swedish social enterprises are located in the sectors of health, domestic and social services, handicraft, farming and gardening but also in industries such as sales, stores, hotels and restaurants. The main sectors are health care, social care, education and training as well as domestic services.

### National Policy

As there is no government agency or ministry primarily responsible for social enterprises, there are no official statistics. In 2008, a list was established where social enterprises voluntarily could register and in 2010, a webpage with information on social enterprises was created.

By 2014, there were 310 social enterprises with 9650 people in business, of which 3000 were employees. In comparison to 2008 where there were 150 social enterprises, the number has increased remarkably. The average size of these enterprises has 10-30 people, but varies from only a few people involved up to 500 employees.

### Support

Municipalities function to assist social enterprises and some are allocating resources for social enterprise start-ups. Finsam is such an agency fostering local partnerships. The Swedish Public Employment Service facilitates with training placements and labour market initiatives while the Swedish Agency for Economic and Regional Growth has a specific program for social entrepreneurship. Similarly, incubators created by, for example CSES, Centre for Social Entrepreneurship in Stockholm, are also supporting bodies.

### Future of the Ecosystem

Sweden has a long and advanced tradition of a strong non-profit sector in terms of popular movements and cooperatives organised on a local, regional and national level alongside a strong welfare state. In the past few decades, the policy environment has shifted considerably. A new wave of female-led enterprises has emerged and developed by encouragement of the former Swedish government to provide more private, alternative solutions to the welfare system. In the 2000's, several 'political initiatives were taken that could be seen as a systematic attempt to boost cooperation between the public economy and the social economy'.



## Motivations

### Personal Experience with a Social Issue

Women social entrepreneurs in Sweden are often motivated to start their enterprise after personally experiencing or bearing witness to a particular social issue.

One social entrepreneur interviewed, who runs a cooperative that focuses on Asylum-seekers, was inspired to start her enterprise after coming into contact with an Asylum-seeking family in need of housing and a job. The experience touched her, and made her acutely aware of the needs of this particular population. *"We started to think about what we could do and decided to establish a cooperative to give asylum seeking women jobs"* she says. *"I do this because it feels like I could contribute"*.

Another entrepreneur had the opportunity to travel with her colleagues to developing countries during her career in the coffee industry, and witnessed first-hand the poor conditions and exploitation of coffee growers. Together, she and her colleagues came to the conclusion that they needed to exit the company they were working for, and start a business focusing on fair trade.

Similarly, Nathalie Aldana, founder of Nathalie's Direct Trade, started her business as a response to the critical situation of the farmers in Colombia, where her father lives. Not only were farmers living in a violent setting, with bloody massacres and guerrillas a part of everyday life, but they were also being poorly paid, and exploited by unfair wholesalers. As a result, a lot of fruit from their harvests ended up being wasted. Seeing the injustice of this reality was what prompted the idea for her company.

### Social Change

Additionally, the majority of women running social enterprises in Sweden stress the importance of their enterprises not being a traditional company, and emphasise the importance of their social mission.



## CASE STUDY

### Barnrättsbyrån Children's Rights Agency

Elin Wernquist, founder of Barnrättsbyrån (Children's Rights Agency), was involved with various organisations and projects in the United Kingdom and in Sweden when she experienced the lack of support for vulnerable children. Motivated by what she had witnessed, she developed an idea for a children's rights organisation, based on existing models and best practices. With two friends, she started Barnrättsbyrån, an organisation and place where all children and young people, especially vulnerable children, can come to get help and support, such as legal help, counselling and contact with authorities. The social mission has been the same from the start: to strengthen individual children's rights in Sweden. *"One of the reasons why we started to fight for this was that we had a lot of experience working with vulnerable groups and have experienced the shortcoming and flaws of the society"*, she says.

She strongly believed in their ideas but others did not always take them seriously, in particular, older men.

*"I felt that if I put my foot down and raised my voice, I could feel that I was being perceived more as rebellious than having a sharp mind"*, she says. In spite of these challenges, teamwork has made Barnrättsbyrån a success: *"our enterprise is a good example of a workplace with good working conditions, where it is advantageous having children – a workplace where women are empowered"*.

Indeed, in addition to a personal connection, the main motivation and driving force for many women is to work for social change.

*"The "social" in social business refers to taking advantage of people's talents and abilities, to include people in the society"* emphasises Evelina Lundqvist, founder of The Good Tribe, a social enterprise focused on eliminating food waste. *"Today it is very easy to work for only results, but in the end you ask yourself the question – what are we really working for?"* says Nina Forsberg, co-founder of Barista Cafes, a social enterprise that offers fairtrade coffee and supports a UN program for children's education. *"To work for something you know is making a difference is so much bigger than becoming a millionaire",* she says.

*"As an entrepreneur you are also responsible to push for social changes,"* Nathalie Aldana adds.

According to all women interviewed for this study, "Doing good" and "seeing the social needs" combined with business characterises these social enterprises.



## Gender and Social Entrepreneurship

Data from the 2010 SELUSI study indicates that men and women in Sweden are equally likely to start a social enterprise. This contrasts sharply from 2008 data on traditional entrepreneurship in Sweden which indicated that men were three times as likely to start an enterprise as women, despite significant interest and desire on the part of women to become entrepreneurs.

This difference between traditional and social entrepreneurship may be explained by the fact that Swedish women have a tradition of working in the public sector, primarily in health and social care, and education or in non-for profit organisations. A large number of social enterprises still

strongly rely on public funding, and the target group of such social enterprises, fields of activity and the social impact usually are familiar to women in particular, as they often have been engaged in the sector for a long time.

Despite women's long involvement in Sweden's social sector, gender discrimination is still very much present within social entrepreneurship. As one social entrepreneur observed:

*"For impact investment funding, we know that it is harder for women to get financing than men. The power structures that are found in all parts of society are of course also found within social entrepreneurship as well".*

She continues, *"It is also contradictory, because we realize that fields which focus on sustainability are often dominated by women. We attract mainly women when we get job applications."*

There is a perception that *"men are not as emotional, quite analytical, and rational in their thinking",* and *"women are more careful",* Nathalie Aldana adds. Nina Forsberg also points out the challenge of convincing funders to invest in a social, rather than a traditional enterprise. *"People are skeptical if you would like to do something with a social mission,"* she says.

Additionally, certain interviewed women observed that self-confidence seems to be something that women social entrepreneurs in Sweden struggle with more than men.

According to Nicole Rehnström, founder of Idékoll, a social enterprise that is focused on childhood creativity, the 'Cinderella syndrome' is related to this.

*"Women grow up watching Disney movies like Cinderella featuring women who are hardworking and kind to everyone, but it always ends with a prince saving her from the situation."*

She explains that in her opinion,

women often strive to be the exemplary hardworking and all-giving social entrepreneur in the public sphere, but within the domestic sphere, they still have an expectation that the male should be the main provider.

*"You can be the best entrepreneur but at home you cannot handle everything."*

### Women's empowerment

Despite the challenges presented by discrimination and (internalised) gender roles, Swedish female entrepreneurs see themselves contributing to women's empowerment.

*"Yes, (I am empowering women) because the women I am supporting gain more self-esteem so they can support themselves and their children and not be dependent on a man,"* Nathalie Aldana says.

*"We are a living example"* says another woman social entrepreneur.

*"I think all the young women who work in social entrepreneurship inspire other women to work in entrepreneurship, to dare a little more."*

Not only do Swedish women empower other women; they also get empowered. *"I feel one hundred times stronger now than some years ago. For me, it has given me huge freedom",* says Elin Wernquist, founder of Barnrättsbyrå.



## SOCIAL IMPACT OF WOMEN-LED ENTERPRISE

In general, the social missions for female social entrepreneurs are about creating changes and including marginalised people in the society. Amongst women surveyed, all of the women participating felt they were successful and made an impact. While not all social enterprises have explicit social impact goals, they still observe the changes and positive results of their activities. *"We do feel that we have to set up goals because it is connected with our driving force and motivation"*, Evelina Lundqvist says.

According to Evelina Lundqvist, the different levels of impact are important, *"both long term or when we work in a specific project"*. Nicole Rehnström stresses the importance of making an impact on herself too, by being a minimalist: *"I discovered that if one is to be a social entrepreneur and to focus on giving back, reinvesting and not making so much money oneself, then you have to be almost a minimalist. Not to focus so much on material things for yourself because then you can focus more on others, have more time and money for others."*

Nina Forsberg says that *"when you work for something that is good and for a purpose, it makes it more fun to actually come to work, it is more motivating"*. She has also been highly successful as concerns measurable social impact, providing more than 1200 children in Africa with the possibility to go to school.

### CASE STUDY



## Nathalie's Direct Trade

Nathalie Aldana's social enterprise Nathalie's Direct Trade, has made a significant impact on the farmers in Colombia she is in cooperation with. With no previous experience but the desire to learn and the help of knowledgeable people, she has developed her enterprise rapidly. Her overall social mission is to have peace in Colombia. According to Nathalie Aldana,

***"to get more farmers to achieve sustainable living conditions is contributing to peace in Colombia".***

During one year, Nathalie's Direct Trade buys 22 tons of fruit from Colombian farmers, which is equal to 13 months of minimum wage. *"They often use the salary to reinvest and certify the farm and to save for pensions which they never have been able to do before"*, she says.



# Recommendations for Policy Makers

- \*Establishment of a national commonly used definition of "social enterprise"
- \*Establishment of a legal form of "social enterprise"
- \*A recognised government institution or agency responsible for social enterprises
- \*Improved tax rates specifically for social enterprises
- \*Governmental or regional investment in national incubator or mentoring programs
- \*Investments in national social entrepreneur conferences for fundraising
- \*Preferences given to social enterprises in communal procurement

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### Survey & Interviews:

Survey by European Women's Lobby on Social Entrepreneurship answered by 28 Swedish women social entrepreneurs in April and May 2015. / Phone interviews with seven women entrepreneurs in Sweden by the European Women's Lobby during April and May 2015.

### Interviews with the following women social entrepreneurs:

Evelina Lundqvist- The Good Tribe / Elin Wernquist- Barnrattsbyran / Nathalie Aldana- Nathalie's Direct Trade / Nina Forsberg- Barista Coffee Shop / Renee Danielsson- ABIS / Nicole Rehnstrom- Idekoll

## ABOUT THE PROJECT

This mini-report is based on primary empirical data gathered by Emelie Aho Faltskog from February to May 2015 in Sweden, on behalf of European Women's Lobby. Data was gathered via desk research, in-depth semi-structured interviews with 6 informants using feminist interview methods, and an internet survey available in Swedish and English, which was taken by 28 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](http://www.womenlobby.org)  
or [www.WEstartEurope.org](http://www.WEstartEurope.org)

### PHOTO CREDITS

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