



Women's Social Entrepreneurship in



LUXEMBURG

A change of mindset toward more responsible and sustainable economic models

Women social entrepreneurs in Luxembourg are becoming agents of change

SNAPSHOT*

*of 66 interviewed women in total



Annual turnover*:

27,78 %: less than €10.000

25,93 %: from €10.000 to €250.000

12,96 %: from €250.000 to €499.000

33,33 %: more than €500.000



1/3 of the social enterprises have been in existence less than 10 years and two thirds are more than 10 years old.



Half of the women have dependent children.

87%

feel their social entrepreneurship experience contributes to their empowerment as a woman.

50%

are recognised as promoting the public interest.

77,42 %* reinvest

100 %

of their surplus back into their social enterprises to achieve their social objective.

KEY FINDINGS

“There are also small successes: like when I see a big smile on their faces when I enter the workshops”

Paula Gomes

DIRECTOR OF DÉFI-JOB

(a non-profit organisation promoting the socio-professional rehabilitation of persons in prison settings)

ECOSYSTEMS • The social economy sector encompasses mainly associations. We find also social cooperatives, mutual organisations and foundations. The law on the creation of societal impact enterprises (SIS) was passed in November 2016.

SECTORS • Social work and health activities; Education; Information and communication, Arts, entertainment and recreations; Finance and insurance activities.

MISSIONS • Diversity and inclusion; Integration into the labour market; Inclusion of marginalised people and groups; Environment and sustainable development; Children and young people.

MOTIVATIONS • Responding to an unmet need in the community; Personally contributing to a cause; Having a specific impact; Developing an innovative idea for a new product, process, market or service.

BARRIERS • Not enough funding available; Societal attitudes; Politics and legislation on both national and community levels; Lack of visibility at national level.

GENDER • The majority of women social entrepreneurs feel they are contributing to gender equality through their social entrepreneurial activities.

IMPACT • Most women social entrepreneurs do not measure their social impact. However, one in two women feel they are successful in achieving their social impact objectives.

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LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère du Travail, de l'Emploi et
de l'Économie sociale et solidaire

ULESS

Union luxembourgeoise de
l'économie sociale et solidaire



Funded by the Rights, Equality and Citizenship Programme

SOCIAL ENTERPRISE IN LUXEMBOURG

Social entrepreneurship combines economic efficiency with a social mission in the service of the general interest. Social entrepreneurs aim to produce a social, environmental or societal impact. In Luxembourg, social entrepreneurship has experienced growth over the past decade. Initiatives have been undertaken to create social enterprises: 6zero1, the first incubator for social enterprises in Luxembourg was created in 2016 and supports any social entrepreneur who wants to adopt the new legal status of societal impact enterprises (SIS = Sociétés d'impact sociétal) in giving them a tailored accompaniment (training, funds and counselling) and an individual and comfortable working space. 1,2,3 GO Social launched in 2011 helps project developers to create a social business plan, and includes a network of coaches and experts.

Enterprises with an impact

Many existing "mainstream" enterprises have taken part in the process of becoming enterprises with a social impact, using their investment abilities to finance sustainable projects. Given their sound results, the impact investment funds have attracted an increasing number of "traditional" investors. Financial and social innovations are built on hybrid and flexible models that promote collaboration and cooperation.

The societal impact societies, a new legal framework

En 2015, Luxembourg submitted the draft law on the establishment of societal impact enterprises (SIS = Sociétés d'impact sociétal) to the Chamber of Deputies. The new legal framework for social solidarity economy was developed by the Ministry of Labour, Employment and Social and Solidarity Economy Solidarity Economy. The law on the establishment of societal impact enterprises was passed in November 2016 and should result in a substantial improvement of the legal and economic environment of social and solidarity enterprises. The entry into force of the law is backed up by with the implementation of support schemes designed for new societal impact enterprises (SIS) developers. All information on the law are included in a French guide titled "Les sociétés d'impact sociétal (SIS)".

Sectors and size

The Social and Solidarity Economy (SSE) sector is growing significantly in Luxembourg. In a recent note, STATEC indicates that the SSE represented 28,000 jobs in 2012, a figure more than double that of 2000. The latest statistics on the size of the social economy in Luxembourg show that the sector accounted for 8% of domestic employment in 2012 (compared to only 4,5% in 2000).

STATEC highlighted the necessity of establishing satellite accounts. The challenge in the medium term would be to have thorough and regular statistical data on the contribution of the social solidarity economy to the economy of Luxembourg as a whole.

Women entrepreneurs by sector

According to Luxembourg country report of the study on "Statistical data on women entrepreneurs in Europe", in 2012, about 39 % of the total of entrepreneurs were women compared to 31 % in EU-28. The majority of those women entrepreneurs (75 %) are 'solo' entrepreneurs.

In 2012, the highest rate of women entrepreneurs within a single sector was in the sector of the human health and social work activities. The lowest proportion is found in the construction sector.

Compared to EU-28, the percentages of women entrepreneurs in Luxembourg are higher in activities related to finance and insurance, and lower in accommodation and food service activities.

About 38 % of the total of women entrepreneurs were active in the sector groups of trade, accommodation and food service activities and other service activities.

Gender equality

The Women's Labour Committee

The Committee is an advisory body established by the Grand-Ducal regulation in 1984. It is composed of members representing ministries, women's NGOs proposed by the "Conseil National des Femmes au Luxembourg", trade-unions and employers' organisations. It is responsible for undertaking studies, conducted either on its own initiative or at the request of the government, on all issues linked to women's activities and advanced vocational training.

Vertical Segregation

Vertical segregation, namely the under-representation of women in economic decision-making positions, is more pronounced in Luxembourg than in the EU-27. This is primarily due to the very favourable development at European level, and to the stagnation/reduction of women leaders in Luxembourg. In 2012, 6 % of board members of Luxembourg companies were women compared to 14 % in EU-27.

Regarding management positions in corporations and SMEs, the proportion of women attaining this rank was about 22 % in 2010, which is clearly below the EU-27 average (33 %). Compared to the EU-27 average, in Luxembourg we may observe an opposite trend in Luxembourg between 2003 and 2010: for 7 years the proportion of women has increased by 2 %, while it decreased by 3 % in Luxembourg.

Gender pay gap

An average working woman in Luxembourg earns 8,7 % less than an average working man. This is comparatively low considering that the average gender gap for the EU-27 is about 16,2 %. Furthermore, the trend observed in Luxembourg is a highly positive one: from 2006 to 2011, the gender pay gap has dropped by 2 % and has therefore surpassed the EU-27 development (-1,5 pp).

CASE STUDY



Mamie et Moi

In 2012, Camille Alexandre created her social enterprise “Mamie et Moi” together with her friend Christina Picco. Camille feels she belongs to *“a generation that is aware of the social and environmental issues caused by capitalism and globalisation, compared with the previous generation.”*

When she became a mother for the first time, Camille felt she reached a moment in her life where she needed to *“participate in a transition towards something more human and more responsible”*. She wanted to support and promote a local economy characterised by short distribution channels and better quality products.

She created her social enterprise always keeping in mind the importance of conscious consumption and human relationships. With this project, she aimed at generating income with sustainable products.

Moreover, Cristina and Camille wanted this project to focus on senior women, trying to respond to one of Europe’s major challenges, addressing an ageing population. “Mamie et Moi” aims at the reintegration of seniors through the exercise of an economic activity. Their mission is to value senior women, showing they can still make a contribution to society, while always keeping in mind that these retired women have the right to practice an activity which is a passion. *“A passion that can generate income”* underlines Camille.

Camille and Cristina both shared the personal experience of having strong childhood memories featuring their grandmothers knitting and working with wool. Camille’s grandmother, for example, would carefully and lovingly knit a blanket for the birth of each of her grandchildren.

From the base of this shared experience, they decided to start their project by focusing on this special item, a “symbolic” blanket, which is linked to a sweet childhood memory.

The sense of connection and continuity linking the founder’s grandmothers, to the senior women they work with, to the new babies who will be wrapped in the soft blankets, is a strong element driving this project. The intergenerational bond created through wool, represents a bond which will continue to be preserved into the future.

www.mamieetmoi.com





Motivations

The motivations that drive women to start a social business or to engage in a social enterprise are numerous and relatively similar according to the survey findings. When starting their social business, most are driven by the desire to **“respond to an unmet need in the community”**. **“Contributing personally to a cause”** represents a strong motivating factor for more than 90 % of interviewed women, as is **“seeking to make a specific social impact”**.

Irina Aleksandrova is the president of association Sportunity. With the underlying conviction that sport is the best tool for facilitating peace-making, tolerance and crime prevention, Sportunity brings sport to refugee shelters, fostering integration, mutual respect and understanding. Irina tells us how her social entrepreneurship experience started: *“It all started with an opportunity, with an idea, with having this feeling that there is a potential that is not being realized by anyone. I just couldn’t sleep anymore until I did something about it”*.

Social entrepreneurship often means innovation. The desire to address an unsolved societal issue represents a real driving factor for engaging in entrepreneurship. Implementing an **“innovative idea for a new product, process, market or service”** was mentioned by nearly 80 % of women.

Lynn Schammel, Co-founder and Director of Socialmatter, a socially and environmentally-oriented design studio, tells us about her motivation to create products in a different way, by distinguishing herself from the “made in China” model: *“I wanted to have a greater impact on the way in which products are made, so that production is meaningful for society. I wanted to identify and reflect with people on how to meaningfully produce goods. The art of creation is in itself a mission”*.

From a personal perspective, **“seeking a second household income”** is either not a motivating factor or only a weak motivating factor for 87 % of women.

THE SOCIAL IMPACT OF THE WOMEN-LED ENTERPRISES

The social impact sought by women tends to be focused on different levels: societal, community and individual. More than 80 % of the interviewed women seek a societal impact: **“changing the way people view certain issues or groups of people, changing attitudes and behaviours of society at large”**.

Maud Hansen is the director of five sheltered workshops within Yolande Coop, whose mission is to provide job opportunities to people with mental disabilities. She explains that *“these people would never find a job on the mainstream labour market. She enables them “to have the same rights as those who are working on the mainstream labour market, while having an adapted structure, staff people who guide them in various workshops and who help them on a daily basis and who provide support. This enables them to lead a normal life”*.

Laura Veneziani is the director of the Centre Jean Heinisch. The centre provides services for people with disabilities, namely a day-care centre, a training centre and a sheltered workshop. According to Laura, one of the most significant impacts of the social mission of the centre is *“to ensure the follow-up of the personalised project of the disabled individual. Changing people’s mindsets. Look at what the user really wants and what we can bring him. As professionals, we always have the feeling we know what is right for the individuals, but we must also listen to them carefully”*.

More than half of the interviewed women (54,24 %) are aiming for a change at a community level: **“having an impact on a larger group of people, for example, a neighbourhood, or a specific marginalised population within a limited geographic area”**.

The project of social entrepreneur Irina Aleksandrova uses the context of sports to improve the lives of children and youth, in particular, children in difficult

life circumstances. This year the project aims at the integration of refugees. She explains: *“It’s basically all about building connections and bonds between the refugee population and the resident population. We always have it in mind that once we give someone a chance to succeed, he will become the champion of goodwill, the champion of change in his own community. We were trying to give these people a way to “fish for themselves”*.”

Veronique Hilbert is in charge of the Maison relais Strassen of the Red Cross. She notes, *“our objective is to give the best to the children, to promote their development, and to always try to do the best job possible for them.”*

Finally, with regards to the individual impact, nearly 66,10 % of women seek **“to have a direct impact on the life of one or more individuals”**.

Paula Gomes (Défi-job) comments on the difficulty of talking about measurable objectives when it comes to prison settings. However, she explains her view that *“with each inmate there is a family, there are potential victims (who are affected). We are talking about the impact on human beings, but also about the impact on society. Society gains each and every time an inmate is reintegrated”*.



Barriers

The two more frequently mentioned main barriers preventing the surveyed women entrepreneurs from achieving their social impact objectives are the following: **“not enough funding available”** and **“societal attitudes”**. Forty per cent of women feel that national level politics and legislation could be more supportive for the development of their business.

From 18,18 to 21,82 % of women feel **“a lack of visibility in their community and nationally”** regarding women’s social entrepreneurship presents an obstacle to success. They also mentioned **“the lack of time to devote to social enterprise activities”** as a barrier. Finally, **“the lack of access to funding”** represents another barrier.



Gender and social enterprises

Most of women say they run their social enterprises by encouraging participation and cooperation rather than taking a top-down approach.

Moreover, 48,21% feel that **“being a woman has affected the way they manage their social enterprise”**. Géraldine Riquet, general coordinator of the Centre d’initiative et de Gestion Locale (CIGL Strassen et Kopstal), an association active within the socio-professional sector, believes that a woman’s approach differs from a man’s: *“The approach is definitely different when compared with that of my other (male) colleagues. (...) Women’s approach is based on listening and patience”*. Others believe it doesn’t have any influence. Lynn Schammel shares her opinion, noting: *“I have never thought too much about the difference between men and women, for me, it is about the person not the gender”*.

Almost half of the respondents think that: **“in their country, women and men running a social enterprise face different challenges and barriers”**.

With regards to their social entrepreneurship experience, nearly 80% of women think that being a woman has positively affected their **“involvement and their passion for their social mission”**. Paula Gomes expresses her opinion on how being a woman may have affected her experience with social entrepreneurship: *“Maybe there is a greater sensitivity. My male colleagues often tell me I am too sensitive. Being a woman might be the reason why I am very well accepted by the male inmates”*.

Nearly 65% of women feel like **“they are empowering women with their social entrepreneurship activity”**. Some women social entrepreneurs feel they play a role in building women’s capacity within their

companies, both at the level of their staff and colleagues, as well as with regards to their beneficiaries. Laura Veneziani explains: *“My role in relation with my colleagues’ empowerment is to support them in their well-being and to ensure they manage their work-life balance. How to best meet their demands, while respecting their needs for services. How to best support them in their role as a mother as well, as within our activities. My role regarding our women users is to acknowledge the woman, before her disability.”*

Almost all the interviewed women are in touch with other social women entrepreneurs in their countries and 44,64% are in touch with other social women entrepreneurs in Europe.

CASE STUDY

Eis Epicerie Zolwer



Myriam Cecchetti funded «Eis Epicerie Zolwer» in 2014. The purpose of this social cooperative is to promote social inclusion and diversity. She aims at promoting conscious consumption by selling local, regional, biological and fair trade food products. Myriam uses low prices in order to allow access to quality food for all, without social and economic discrimination. Myriam is convinced that the exclusion of people in need is not inevitable.

« Eis Epicerie Zolwer » currently employs 9 full-time people and 7 volunteers. As part of her social project, Myriam offers training courses in market gardening and apprenticeships in trade with the aim of facilitating access to the labour market for young people without qualifications.

Myriam is always trying to find the best products. To this end, she favours exchanges with local producers. She continuously seeks to increase the societal impact of her grocery shop by supporting local economy. She takes care of developing a fruitful collaboration with the social and solidarity-based economy actors of Luxembourg, such as sheltered workshops or reintegration initiatives.

In addition, the protection of the environment is an important aspect of the project. Myriam contributes to the fight against food waste by raising awareness of conscious and sustainable consumption through the delivery of specific workshops. She favours short supply channels and the sale of seasonal food in order to reduce the ecological footprint of consumed products and to limit the amounts of waste.

This social grocery store project also offers a friendly meeting place for the local inhabitants as well as « Do it yourself » spaces to support exchanges and improve community life. Myriam says: *« My idea was to create a local grocery store open to everyone where we could all meet and discuss, the way it was in the past...and where nobody is stigmatised. »*



Policy Recommendations

- * Investing in public awareness actions (public consultations, communication campaigns...) to enhance the visibility of social enterprises and women's social entrepreneurship
- * Encouraging and promoting gender equality within all enterprises
- * Developing social entrepreneurship training targeting women in particular
- * Increasing and facilitating access—first and foremost, through administrative simplification—to support measures and fundings designed for social enterprises and other key social economy sector networks
- * Promoting and facilitating the award of public procurement contracts for social enterprises through social considerations and reserved markets
- * Investing in social and economic impact measurement of social enterprises in order to recognise and promote their added value for society as a whole, as well with regards to women's access to employment

WORKS CITED

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Interviews with the following women social entrepreneurs

Irina Aleksandrova - Sportunity
Camille Alexandre - Mamie et moi
Myriam Cecchetti - Eis Épicerie Zolwer
Maud Hansen - Groupe Elisabeth, Yolande Coop
Véronique Hilbert - Croix-Rouge, Maison relais Strassen
Paula Gomes - Défi-job
Géraldine Riquet - Centre d'Initiative et de Gestion Locale - CIGL Strassen-Kopstal
Lynn Schammel - Socialmatter
Laura Veneziana - Tricentenaire, Centre Jean Heinisch

ABOUT THE PROJECT

This mini report is based on empirical data collected in Luxembourg at the request of the Ministry of Labour, Employment and Social and Solidarity Economy Solidarity Economy by Magdaléna Radová and Erika Lambert from August to November 2016, on behalf of the European Women's Lobby. The collected data were drawn from desk research and in-depth and semi-structured interviews using feminist research methods and a free online survey in French. A total of 75 women were surveyed.

These findings are part of a continuation of a year-long pilot study launched by the European Women's Lobby under the name of "WEstart: "Mapping Women's Social Entrepreneurship in Europe". The core aim of WEstart is to gain a better understanding of the situation and a state of play of women's social entrepreneurship in 10 countries of the European Union.

More information about WEstart is available on www.womenlobby.org or www.WEstartEurope.org

