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**SoFiMa**

# TALLINN UNIVERSITY SOCIAL ENTREPRENEURSHIP INCUBATOR

Activity Report 2022



TALLINN UNIVERSITY

The Social Entrepreneurship Incubator was carried out in September 2021-February 2022 as a part of the project: ‘Kick-starting the nascent social finance market in Estonia (SoFiMa)’. The purpose of the incubation program was to increase the capacity of raising investments among soon to be or already established social enterprises, as well as support their growth and capacity for scaling up.

The SoFiMa project consortium includes the Baltic Innovation Agency, Tallinn University, Võru County Development Centre, and the Estonian Social Enterprise Network. The project is also supported by AS SEB Bank and the hardware and IoT start-ups accelerator, Buildit.

This activity report gives an overview of the program and the participants. The report mainly addresses how the incubator was implemented. For more insights regarding recommendations for implementing similar programs in the future, please contact the program designers. The program was designed by Katri-Liis Lepik and Eliisa Sakarias from Tallinn University.

The incubation program was co-financed by the European Commission through the ‘Employment and Social Innovation’ ‘EaSI’ 2014-2020. One of the objectives of the EaSI programme is to promote employment and social inclusion by improving financial access for social enterprises, while the programme also supports the development of the social enterprise finance market.

For further information please consult: <http://ec.europa.eu/social/easi>

For more details on the project and the incubation program please contact Katri-Liis Lepik at [katri\\_liis.lepik@tlu.ee](mailto:katri_liis.lepik@tlu.ee).

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## **Structure of the program**

### **The incubation process**

The incubation program was carried out over a 6-month period from September 2021 to February 2022. Prior to the start of the program, there was an application period of 20 days from 10-30<sup>th</sup> of August, where applicants were asked to fill in a form on the Google Forms platform. The form included questions about the problem and solution the team was tackling, current development of the idea, impact measurement framework, plans for financing, description of the team, current development needs and motivation for participating in the program.

After the selection of teams, the teams participated in 6 workshops lasting 2,5-3 hours each (+ one bonus workshop for the top three teams) every 2-4 weeks. The workshops were carried out online using the Zoom platform. The platform was selected for the possibility of making breakout rooms during the workshops (enabled to separate the cohort into teams for individual work during the sessions) as well as positive previous experience for using it in other Tallinn University workshops. Interactive tasks were carried out in Miro, where the teams were able to work on the same board during all sessions, thus enabling them to easily use materials from previous workshops in their development process. Most of the workshops were very practical and the teams were able to develop their enterprise during the session, making additional changes after the session if needed. Additional exercises and other kinds of individual work for teams outside of the workshops were not designed into the learning process of the program.

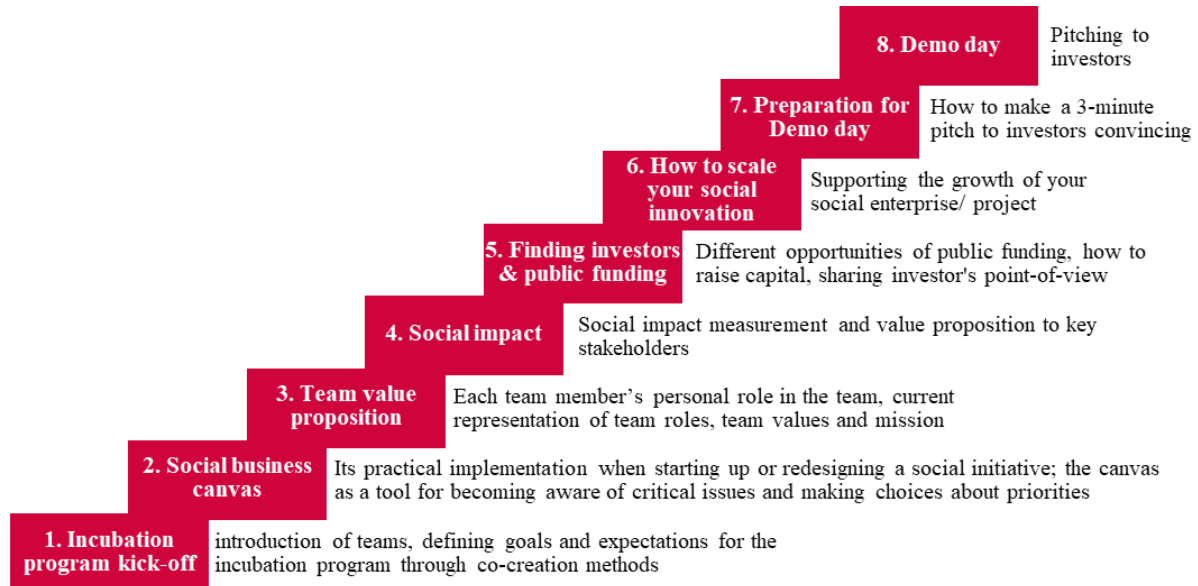
The workshops were supported by four 1-hour mentoring sessions. At the beginning of the program each team was matched up with a mentor based on their development needs. The mentors with necessary knowledge and experience were either found from the SoFiMa project consortium members or lecturers at the Tallinn University Social Entrepreneurship master's degree program. Using this method of consistent mentoring was selected to help teams develop a long-lasting relationship with their mentor and to continuously support them in reaching their goals set for the incubator program. The teams were advised to meet their mentors once a month from September to December and the discussion topics were agreed upon between the mentor and the team. Although, the organising team did provide some prompts for the mentors for each of the four meetings in case the team was not very proactive or the mentor needed more support for facilitating the mentoring process.

After the six workshops of the program, the participants were asked to fill in a mid-term evaluation form to assess their development process thus far. Based on the self-assessment of goals reached during the first 4 months of the program and feedback about their development from mentors, three teams were selected to move on to the next phase – learning how to present the enterprise to investors. In addition to a bonus workshop on the topic, the top 3 teams presented their pitches to a jury of people with (impact) investment experience during a bigger networking event “Demo Day” of the SoFiMa project. The teams received valuable feedback from the jury members and the best of them were also rewarded awards.

## Topics of the program

The topics for the workshop sessions were selected based on current research about Social Entrepreneurship in Estonia (the most common challenges and hardships social enterprises face discussed in the European Social Enterprise Monitor Report 2020-2021<sup>1</sup>) as well as the experience of the organising team in mentoring and working with different social enterprises.

The incubation program workshops consisted of:



All workshops were facilitated by experts of that field - either by specialists from Tallinn University or external experts with several years of experience in the corresponding topic.

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<sup>1</sup> ESEN. (2021). 'European Social Enterprise Monitor - Estonian Report. 2020-2021'. Author: Lepik, K.-L. Estonia.

## **Participants of the incubation program**

### **Participants' selection process**

The teams qualified to participate in the program needed to fit the following criteria:

- The idea/enterprises had to solve a social, educational, health or environmental problem;
- The main product or service of the enterprise had to be already developed (and preferably tested) to some extent;
- The idea/enterprise had to be able to earn its own income or there had to be an initial plan of how the idea/venture will be funded;
- The idea/enterprise must have at least 2 team members.

The participants were found through an open call, information about which was distributed through Tallinn University channels (social media, website) as well as through an existing network of social enterprises, who have participated in Tallinn University's previous trainings relevant to social entrepreneurship, such as the Social Entrepreneurship Summer School. All students (current and past) of the Tallinn University Social Entrepreneurship master's degree program also received an invitation to participate.

In addition, the open call was distributed through networks of our partner organisations such as Social Enterprise Network and Startup Estonia.

In total nine applications were received via the application form created by the Tallinn University team in Google Forms platform – four of which included either current or past students of the Tallinn University Social Entrepreneurship master's degree program. Most of the ideas/enterprises were based in Estonia, one was working globally, and one team's focus was to support refugees in Greece.

The teams were evaluated based on their applications, the level of maturity of their idea and fit with the participation criteria. Finally, seven of the nine teams were selected to start in the incubation program.

### **Profiles of participating teams**

The participating teams tackled societal problems from many different perspectives. Solutions for environmental problems were developed by social enterprises, that bring more nature to the urban context in the form of green roofs of buildings as well as bus stops, or provide reusable alternatives with a long lifetime for hygiene products. Some teams addressed problems with people entering the workforce – either by increasing the necessary skills, providing jobs for a specific group of disadvantaged people, easier and more targeted methods for finding employment, or raising awareness about stigmas in employment. Educational topics were also represented by teams through increasing critical thinking or providing tools for organisations to make more knowledge-based decisions.

However, the development level of the teams was quite different. In some cases, the product or service had only been piloted in another country for example, therefore some of the teams had very little first-hand experience prior to joining the program. On the other hand, some teams had already been providing their services/products for some years, so they had an advantage by having the knowledge of their market and customers.

On average, the teams consisted of 1-4 active team members, hence having ca 10 participants in total in each workshop. The small number of the group enabled all participants to be very involved and to share their personal opinions as well as encouraging discussions about challenges of their teams during the sessions, therefore creating more opportunities for peer-to-peer learning and networking.

## Testimonials

### Team 1

*“Our biggest development during this period was in creating a financing plan for scaling up our enterprise based on our first year of financial data and identifying new channels for income generation. The lectures and mentoring the program helped us to systematise that data, understand what it indicates, and how we might use that to scale up our operation”.* (Team 1)

*“We will implement the plan we have developed, under the continued informal supervision of our mentor. The plan includes a 6-month schedule that sees us become financially sustainable (that is, cover our overheads and generate profit), expand our operations in our first international event, and partnering with corporate sponsors”.* (Team 1)

### Team 2

*“During autumn of 2021, our project has evolved from an idea level to a registered association. We have networked and found partners to cooperate with. Our team has learned about social media marketing, and we have started pages on Facebook and Instagram”.* (Team 2)

*“We have had inspiring meetings with our mentor who really has helped us to develop the project from an idea to a registered association by suggesting concrete steps and offering materials”.* (Team 2)

*“The motivation is to create a social enterprise that can be part of a change and an example of a new way of solving problems. By applying to the program, we wish to develop the business model and find funding. On a personal level the motivation comes also from opportunities to connect and create networks with different kinds of professionals”.* (Team 2)

### Team 3

*“We believe, thanks to the incubation program, we will be able to make far more social impact and in doing so be able to help lots of others wanting to make social impact.”* (Team 3)

*“The mentorship sessions have been really good to get an outside view and also a reality check at times and to check what we are doing. Our mentor has been really helpful and has been so insightful. It's easy to get carried away with ideas, but the sessions and mentorship have really helped us have a razor sharp focus”.* (Team 3)

*“Our plans for the next six months focus on getting investment / funding, so we can build a team that enables us to develop our social enterprise further and scale”.* (Team 3)



**Appendix pictures**



*Workshop on making a pitch to investors. Organised as a part of the Demo Day on 03.02.2022*



*Virtual participants of the Demo Day on 03.02.2022.*



*Group photo of all participants of the Demo Day on 03.02.2022*