



Ekonomická  
fakulta  
Faculty  
of Economics

Jihočeská univerzita  
v Českých Budějovicích  
University of South Bohemia  
in České Budějovice

University of South Bohemia in České Budějovice

Faculty of Economics

Department of Regional Management

**Resumé of Master thesis**

**Socio Economic Conditions for Social Business In Two Selected  
Countries (France-Czech Republic)**

Author: Bc. Kristýna Nejedlá

Tutor of master thesis: doc. Ing. Eva Cudlínová, Csc.

České Budějovice 2019

## Content

Introduction .....	3
Theoretical part .....	4
1. Social business .....	4
1.1. Features of social business in selected countries.....	4
1.2. Czech Republic.....	4
1.3. France .....	5
2. Aim and Methodology .....	6
2.1. The aim of master thesis.....	6
2.2. Methodology.....	6
Practical part.....	8
3. Comparative analyses of socio economic conditions of social business in the Czech Republic and France.....	8
3.1. Legal features .....	8
3.1.1. Number of employees in social business according to legal forms.....	8
3.2. Economic features .....	8
3.2.1. Comparison of total number of social business in France and the Czech Republic.....	9
3.2.2. Financing options .....	10
3.2.3. Employment .....	10
3.2.4. Comparison of field of interest of social business in the Czech Republic and France .....	11
3.3. Social features.....	11
4. Results of a questionnaire survey in the Czech Republic and in France SWOT analysis.....	12
4.1. SWOT analyses for the Czech Republic of social business in 2019.....	13
4.2. SWOT analyses for France of social business in 2019 .....	15
4.3. Comparison of SWOT analyses of social business in the Czech Republic and France ..	16
Conclusion .....	17

## Introduction

*“The company must be able to make a profit, otherwise it will go bankrupt.  
But if a company earns exclusively for a profit,  
It will die because it will no longer have any reason to continue to work. ”*

*Henry Ford*

The concept of social business was created to solve social problems. Social business, abbr. SB has evolved as part of a comprehensive political, economic and social development at global, national and local levels, as can be seen from the example of Henry Ford's quotation, see above. Henry Ford also thought that his actions had different direct and indirect impacts on society. From his quotation, it is more than clear that business is not just about a profit. There are also other factors to grow both the company and business.

Socio economic conditions for social business are current topics worldwide. This topic is part of my engineer studies, which took place partly in France and partly in the Czech Republic. During my studies at Université Bretagne Sud in France, I participated in the social European project NetMeIn, which focused on helping the unemployed and the people who are not preparing for employment nor studying.

This thesis aim is to compare the socio economic conditions for social business in two countries - France and the Czech Republic and to examine its development. The first part is theoretical it focuses on the definition of SB. The second part deals with the aim and methodology. The third practical part will be an analysis of socio economic conditions of SB in selected countries.

The work is based exclusively on academic literature and publications of the European Union. It focuses primarily on the European concept of SB as a new business model that still has a great deal to be explored. The research compares two specifically different states of one continent. It brings country reports and their approach to social business.

## **Theoretical part**

### **1. Social business**

SB combines business activities with the need to use the market to meet higher goals that are beneficial to society. It may be a service to society to address certain social or environmental problems. SB deals with a long-term solution to a problem situation that can be more flexible and efficient than doing business in the public or private sector.

#### **1.1. Features of social business in selected countries**

Each country has its concept of social business, which is based on the country's social situation. Therefore it has multiple forms of country-specific business. This means that it also has more legal forms, according to the type of business and valid legislation.

Vyskočil (2014: 8) which characterizes SB according to the International Research Network EMES as follows:

**Economic characteristics:** Permanent activities producing goods and/or services, a high degree of autonomy, a significant level of economic risk and a minimum amount of paid work

**Social characteristics:** A clear goal of being public, initiation by a group of citizens, decision-making power is not based on capital ownership and reduced distribution of profits

#### **1.2. Czech Republic**

There exists no legal form of SB in the Czech Republic which complicates the research about it. Characteristic feature of SB is according to the Caisl, J., Francová, P., Pajas, P., Deverová, L., (2014: 9) as follows: 10% profit comes from its economic activity, 51% of profit must be reinvested in the development of SB or the implementation of socially beneficial activities. The SB must also employ at least 10% of paid employees who are fully engaged in the company's social activities.

The Operational Programme Employment in cooperation with the Ministry of Labour and Social Affairs defines legal forms of social enterprises by the law from 2014 Regulation No. 90/2012 Coll. Law on Commercial Companies and Cooperatives (Business Corporations Act). The SB can be as follows: Limited Liability Company, Joint Stock Company, Self-

Employed, Cooperative, Social Cooperative, Community Service, Institute, Association, and Foundation.

### 1.3. France

The concept of SB occurred in France at the beginning of the 20th Century. The definition of SB is defined by the law n°2014-856 of July 31, 2014, relating to social and solidarity economics. The law defines SB as follows: “*Social and solidary economics is one of the ways of economic development that is adapted to all areas of human activity, and involving private legal entities that meet the following conditions: the goal of the business is exclusively profit sharing, democratic governance, management in accordance with the principle that profits are mainly devoted to the achievement of goals that support the development of society.*”

According to the SB movement Mouves (2019), there are characteristic features of SB which is based on a model of four pillars: viable economic project, a project focused on a social problem or environmental protection, limited profit and employee participation in the business decision process.

Legal forms of social enterprises in France are as follows: association<sup>1</sup>, cooperative<sup>2</sup>, mutual companies<sup>3</sup>, foundation<sup>4</sup> and a cooperative society with a common interest<sup>5</sup>.

---

<sup>1</sup> Les associations

<sup>2</sup> Les cooperatives

<sup>3</sup> Les Mutuelles

<sup>4</sup> Les Fondations

<sup>5</sup> Société coopérative d'intérêt collectif (SIC)

## 2. Aim and Methodology

### 2.1. The aim of master thesis

This work aims to compare the socio economic conditions of SB in the Czech Republic and France.

The following hypothesis was set:

**In France, SB is more developed. There is a larger number of employed people (in % of total employment).** The hypothesis is based on the assumption that this form of business has a long tradition in France than in the Czech Republic and SBs in France are more supported by the state in terms of legal anchoring.

### 2.2. Methodology

To achieve the goals of the thesis, I used methods of comparing available data from both countries. The statistics which I used to obtain SB data from the Czech Republic and France are primarily based on surveys conducted by non-profit organizations in individual countries and on data published by statistical authorities.

The available data concerned, for example, the number of employees in the SB according to the legal form, the total number of employed persons in the SB or the possibility of financing. Furthermore, a SWOT analysis was performed based on the obtained data. The work is briefly supplemented with results of qualitative research, which consists of a questionnaire survey of entrepreneurs from both countries. The questionnaire for SWOT analysis was focused, among other things, directly on the strengths and weaknesses of the SB.

Firstly, I compared basic definitions, features, and legislation by country. Secondly, to obtain secondary data, I conducted an electronic questionnaire survey focused on socio economic conditions in individual countries with entrepreneurs doing business in the field of SB. It is important to note that due to different data availability in the two surveyed countries and the quality of statistical reporting that is completely different in each country, statistical data used in this study are several years old.

The theoretical part of this thesis is based on academic literature, professional literature, and documents published by the European Union. This literature was used to get acquainted with basic information about SB in individual countries.

The practical part of the thesis is divided into three areas: legislative, economic and social.

To obtain qualitative data, empirical research was carried out in the form of a questionnaire; see Annex 1 and Annex 2. In the questionnaire, I focused on entrepreneurs doing business in the area of SB in France and the Czech Republic. The research part of the thesis aims to evaluate the individual view of the socio economic conditions of the SB in the individual studied countries. The questionnaire companies were selected from a representative sample of the largest percentage of the business area by country. In the Czech Republic, there were three main areas such as industry, transport, and electronics, followed by trade, accommodation and catering, and the last was agriculture. In France, they were companies in the fields of social care, finance, and insurance, education and culture. In total 70 questionnaires were send (35 questionnaires in France and 35 questionnaires in the Czech Republic).

The questionnaire was prepared in two language versions - in the Czech language and the French language. The content of the questionnaire was divided into general introduction part and three areas: legislative, social and economic. The questions were chosen open.

Respondents wanted to keep anonymity. For these reasons, I called them Respondent 1 and Respondent 2. Respondent 1 is an entrepreneur from the Czech Republic in the charitable area of trade and social care by creating decent jobs for handicapped people. Respondent 2 is a French entrepreneur dealing with social problems and homelessness.

## **Practical part**

### **3. Comparative analyses of socio economic conditions of social business in the Czech Republic and France**

#### **3.1. Legal features**

##### **3.1.1. Number of employees in social business according to legal forms**

Based on Monzón, J.L., Chaves, R., (2012), I divided the SB into 3 groups: cooperatives, mutual societies, non-profit societies, associations, and foundations see Table 1 page 25.

Non-profit corporations, foundations or associations are the most common form of SB in both countries, accounting for an average of 70.3% of total business types. In France, this type of business employs nearly two million employees and fourteen million volunteers. Almost one hundred thousand employees are employed in associations in the Czech Republic. Unfortunately, the exact number of volunteers is not available. The cooperative form of business in the Czech Republic ranked second as a less popular form of SB and even less used in France. The unpopularity of cooperative forms of business in the Czech Republic can be caused, for example, by the historical development of cooperatives in the period after World War II. According to Demoustier (2017: 107), the unpopularity of the cooperative form in France may be due to the difficulty of differentiating the economic activities of cooperatives and their members and low economic profitability.

The least used forms of SB are mutual companies in both countries. In France, according to Demoustier (2017: 111), this unpopularity may be due to the restructuring of the insurance system and in the Czech Republic due to the legal anchoring of mutual companies.

#### **3.2. Economic features**

The SB comparison in selected countries was based on individual economic indicators of the SB, among which I included the number of SBs, the possibility of financing SBs outside EU resources and the possibility of financing SB from European funds and employment.



### **3.2.1. Comparison of the total number of social business in France and the Czech Republic**

It could, therefore, appear that the greatest concentration of SBs to its social objectives will be most represented in areas with the lowest unemployment rates, but this phenomenon has not been confirmed in any of the countries surveyed. Graph 1 page 26 and Graph 2 page 27 shows that the unemployment curve is independent of the number of individual SBs in the regions. Given the small number of SBs in individual regions and especially the number of employees working in enterprises, the impact of the SB on the reduction of the unemployment rate is not very significant or negligible. This does not mean, however, that this form of business does not have a strong social impact in terms of the quality of life of people who can take advantage of this form of employment.

The regions of the Czech Republic are listed in Graph 1 page 26 from left to right according to the number of inhabitants in individual regions. The graph shows that the highest concentration of 26 SBs is in the capital city of Prague, which is the second most populous area in the Czech Republic with the lowest unemployment 5%. The number of SB is unbalanced in the regions of the Czech Republic. It ranges from one SB in Liberec or Karlovy Vary region to 26 in the capital city of Prague.

The regions of France are listed in Graph 2 page 27 from left to right according to the number of inhabitants in individual regions. It shows that the highest concentration of SB, with 33,127 SB representing 15% of the total number of SB in France, is in the Ile de France region. In this region the capital city Paris, is located and it has the largest population of over 12 million. The second in turn is the Auvergne-Rhone-Alpes, which is also the second most populous region in France. In this region, 13% of all SB in France is located.

Based on the above-mentioned facts, we can state that the largest concentration of SB in both countries is in the regions where the capital city is located, mostly regions with a lower unemployment rate. The situation is similar in both countries. The higher concentration of SBs in capitals can be caused, for example, by a denser infrastructure, more affordable services, concentration of information such as authorities and other SB or greater demand for products or services.

The average unemployment rate in the Czech Republic is lower than in France in 2014. The Czech Republic has long been one of the countries with lower unemployment rates

in the EU and France is around the European average. As for the number of SBs in regions to the unemployment rate in both countries in 2014, this relationship is rather negligible.

### **3.2.2. Financing options**

Non-EU funding options for SB are both private and public in both countries. A financial loan can be obtained in the private sector in both countries. Support in the Czech Republic takes place either at the national level or at the regional level, as there are programs of the regions. Support in France is also multi-level. At the regional level, there are more programs in France than in the Czech Republic, which is due to the larger geographical area of France than the Czech Republic. Regional support of the SB outside the EU sources is focused on regions where there is a higher concentration of SB and simultaneously on regions with a higher percentage of unemployment.

European funds are available for projects in both countries. European Social Fund has earmarked over € 4 billion for the Czech Republic for 2014-2020 and 50% more for France see Table 2 page 25. Thematic programs are for both countries support of education, employment, and social inclusion.

Implementation of projects from ESF funds is similar in both countries. As the programming period, 2014-2020 is almost over, the ESF has not been completely depleted even in one country as originally planned. France has a bit better implementation than the Czech Republic. 38% of the total planned amount has already been spent in France and only 21% in the Czech Republic see Table 3 page 25. 72% of the projects were already decided in both countries.

### **3.2.3. Employment**

Employment is one of the important economic indicators. To compare the development of employment in the Czech Republic and France, I used available data from years 2002, 2009 and 2014 see Table 4 page 26. Between the years 2002 and 2014, the number of employees in SB has been steadily increasing in the Czech Republic and France. In total employment, SB has a share from 9% to 11% in the period under review. SB is economically important in France today because it provides paid employment for more than 2.3 million French people, which represents approximately 9.1% of the active population in 2014.

In the Czech Republic, where the SB phenomenon is a newer issue compared to France, the employment situation is not so significant. The number of employed persons in SB in 2002 is 3.3% of the active population. In the period from 2002 to 2014, the percentage of employed people in SB in total employment has a stagnant trend and does not experience any major fluctuations. Total employment in the SB does not show significant fluctuations during the period under review and is relatively stable.

The percentage of employed in SB in total employment in France is three times greater than in the Czech Republic. SB is a relatively stable type of business, as it is clear in both countries that the financial and economic crises in 2008 did not affect the development of the SB.

#### **3.2.4. Comparison of the field of interest of social business in the Czech Republic and France**

In France, SB is mostly active in the areas of integration into employment, renewable energy, fair trade, organic production, agriculture, health, elderly care, combating exclusion, sport, education, and culture see Graph 3 page 27. In most cases, it is the provision of services. In comparison with the Czech Republic, the SB contributes more to industry, production of products and agriculture. In agriculture, it represents 14.2% in the Czech Republic and only 0.8% in France. On the contrary, France has much more SB in the area of social care. It represents 15.3%. The Czech Republic has 2.5%. The shares of the type of SB area are balanced in both countries in the area of information technology and communication and the field of education and culture. This phenomenon could be caused by the Europe 2020 Strategy, which aims at improving education and development in information technology.

### **3.3. Social features**

Unlike traditional companies that carry out projects with a social intention, where the aim and impact of these projects are quite clear, it is desirable for SPs to show social impact measures in their business. These tools for measuring social conditions for SP comparison can have positive effects on the effectiveness of individual SP activities at the social level. Companies can better tailor their operations to these results. The comparison of SB in selected countries was carried out according to the individual social indicators of SB available in both countries: according to the number of persons with disabilities and according to the types of areas represented by SB.

#### **4. Results of a questionnaire survey in the Czech Republic and France**

##### **SWOT analysis**

The SWOT situation analysis is prepared for evaluating the SB in France and the Czech Republic. The results of the questionnaire were used in the analysis. The SWOT analysis consists of identifying the strengths and weaknesses of an enterprise that originate in the internal environment and identify opportunities and threats that are of the external origin. The questionnaire was focused on entrepreneurs doing SB. Enterprises were selected according to the largest percentage in fields of interests. A total of 35 questionnaires were sent to each country. Unfortunately, the return of the questionnaire was less than satisfactory. Thus, only 2.9% of the country questionnaire was collected which makes one questionnaire per country. Therefore, the results of the questionnaire survey serve only to illustrate the comparative study.

#### 4.1. SWOT analyses for the Czech Republic of social business in 2019

Strength	Weaknesses
<ol style="list-style-type: none"> <li>1. Social impact</li> <li>2. Making partnerships easier</li> <li>3. Added social value of products</li> <li>4. More demanding business conditions make SB stronger</li> <li>5. Resistance to financial crises</li> </ol>	<ol style="list-style-type: none"> <li>1. Human work</li> <li>2. Planning - higher demands on management and organization of work</li> <li>3. Low work productivity</li> </ol>
Opportunities	Threats
<ol style="list-style-type: none"> <li>1. Subsidies</li> <li>2. Benefits of MLSA</li> <li>3. Organizations supporting SB</li> <li>4. New types of social needs (population aging and unemployment)</li> </ol>	<p>LEGISLATIVE:</p> <ol style="list-style-type: none"> <li>1. Legal non-anchoring</li> <li>2. Government</li> <li>3. Insufficient State support</li> </ol> <p>ECONOMIC:</p> <ol style="list-style-type: none"> <li>1. Free conditions for the provision of compensation</li> <li>2. The unwillingness of banking institutions to give loans</li> <li>3. Cities and municipalities mainly use the services of commercial companies</li> </ol> <p>SOCIAL:</p> <ol style="list-style-type: none"> <li>1. Insufficient awareness of social economy concepts</li> <li>2. Insufficient visibility of SB in media and statistics</li> <li>3. Undervalued social contribution</li> <li>4. Unofficial statistics</li> </ol>

One of the **strengths** of the SB is undoubtedly a positive social impact. Respondent 1 says: *"Social benefits are among the benefits of this type of business, which is the main reason I do it - it makes sense to create decent jobs for people with disabilities."* He adds that strength is the overall strong position of SB and cooperation with other SBs: *"Easier way of establishing partnerships (whether between individual social enterprises and finding business / strategic partners from companies)."* The **weaknesses** of the SB lie mainly in the production factor market and it is human work. Human work in SB has higher demands on management and organization of work. According to Respondent 1, the disadvantage of SB lies in: *"Planning - a high rate of morbidity and the need to have a more individualized approach to employees than a regular enterprise."*

Concerning opportunities, there are at European level European Structural and Investment Funds and at the state level, there is support from the MLSA. Respondent 1 puts on the opportunities list: *"Subsidies and compensation (financial benefits which compensate lower effectiveness of people with disabilities)"* he says: *"Without subsidies, I would do*

*business in much smaller dimensions - many of our activities are economically sustainable only with subsidies."*

I divided the **threats** of SB into three parts - legislative, economic and social. According to Respondent 1: *"The legal anchorage of social business in the Czech Republic is inadequate - it is necessary to adjust (tighten) the conditions for the provision of alternative performance and also to distinguish ordinary employers of handicapped (enterprises that tend to use subsidies for their business model and do not care too much about development of their employees from the target group) and Integration Social Enterprises, which pay more attention to the individual approach to their employees from the target group, take care of their development, use tools such as ergo diagnostics, integration personnel, etc. "* Concerning economic threats, there is the unwillingness of banking institutions to give loans. Respondent 1 includes into of the economic threats the legislative burden on the administration of subsidies (in particular he is referring to wage subsidies from the Labour Office). Respondent 1 also adds a note about the amount of support: *"At present, it would be helpful if the increase in wage subsidies for people with disabilities reflected the increase in minimum guaranteed wages – it means what the amount of percentage of the minimum wage increased as of 1 January 2019, the subsidy should also be increased in excess. I am convinced that this is a serious problem for many social businesses."* Among the social threats, there is a lack of awareness of the concepts of the social economy, the lack of visibility of the SB in media and statistics, and the underestimated social contribution of SB.

## 4.2. SWOT analyses for France of social business in 2019

Strengths	Weaknesses
1. Ditto Czech Republic	1. Ditto Czech Republic 2. Difficult measurability of SB impact
Opportunities	Threats
1. Strong legal anchorage 2. Public awareness 3. New types of social needs (population aging, unemployment, migration) 4. Funds, subsidies	LEGISLATIVE: 1. change regulations 2. the emergence of new laws 3. the complexity of legal acts in the establishment of SB  ECONOMIC: 1. the complexity of obtaining finance 2. Awareness of the funding opportunities of the SB

The **strengths** of the SB in France are very similar to those in the Czech Republic, as the internal beliefs and reasons for the SB are the same in both countries. According to Respondent 2, the reason for establishing its own SB was to address homelessness. It is about improving the situation of a certain excluded group and reducing social inequalities. The **weaknesses** of the SB in France, apart from those already mentioned in the analysis above in the Czech Republic, also include the difficult measurability of SB impact on social and economic development in the long term. Among SB's opportunities, we can include a strong legal anchoring of SB. SB is based in France on a strong tradition. The **opportunity** to obtain subsidies in France is similar to that in the Czech Republic. The respondent 2 says: *“We use financial support from public officials (State, local government, etc.) and the private sector (companies, foundations). Until now, we have not asked for EU subsidies.”*

According to a study by the European Economic and Social Committee (2017: 19), there are two types of institutional threats in France, including regulatory changes and the emergence of new laws. The first case concerns a new adjustment of regulations affecting the activities of SB. Economic threats include the complexity of raising funds. For example, it is necessary to have a project and a financial plan, which must be defended before a commission, jury or experts. Awareness of the possibilities of financing the SB is low and difficult to trace.

### **4.3. Comparison of SWOT analyses of social business in the Czech Republic and France**

SB's strengths are identical in both countries. These include the positive social impact of entrepreneurs improving social, economic and environmental conditions in their countries. Weaknesses are also identical. In the area of measuring the impact of SB on social and economic development, the situation is somewhat more complicated in both countries surveyed. In the Czech Republic, the measurability of SB impact on social and economic development is not yet possible as there are no basic and comprehensive official statistical data on SB as well as related legal anchoring. Conversely, in France, statistical data is regularly released and SB is legally anchored, but measurability tools are not sufficient.

The SB in France is based on a solid legislative basis and, compared to the Czech Republic, this point can be included among the external positive effects affecting SB. SB in the Czech Republic is not legally anchored. In France, the public is also more familiar with the SB than in the Czech Republic. The countries surveyed have identical social needs, such as aging populations and the possibility of financial support, both state and public.

One of the threats in the Czech Republic is the lack of legislation and the inconsistent definition of the SB, which is not the case for France as a relatively well-established country in the SB area. France, on the other hand, faces the threat of complicated legal acts in the establishment of SB.



## Conclusion

The social and solidary economy sector connects a set of structures based on common values and principles such as solidarity, social benefit, and cooperation. This economic model is at the service of society and citizens. The structures that are part of it are not aimed at personal enrichment, but for sharing and solidarity for an economy that respects human and his environment. In France, many actors bring together the social and solidarity economy. The actors are the SB, the foundations, the state, the EU, and the organizations supporting SB, which also have a place in this family because they pursue the purpose of social welfare and share the principles of social business. In the Czech Republic, there are NGOs, SB, the EU and, to a lesser extent the state.

In the economic area of employment, there is a constant growth in the number of employees in SB. In France, SB provides paid employment for more than 2.3 million French people, representing approximately 9.1% of the active population. In the Czech Republic, employment in SB is only 3.3% of the active population, which is three times less. **The data show that the hypothesis set at the beginning of the thesis can be confirmed.** SB is more developed in France than in the Czech Republic because there is a larger number of employed people as a percentage of total employment. The practical part of the thesis also shows that SBs in the Czech Republic are more dependent on EU subsidies and financial support for cities than SBs in France. In France respondent 2 did not ask for EU subsidies for its SB. With the indicators mentioned in the theoretical part of the thesis, SB is less represented in the Czech Republic as a relatively newer EU member state compared to the traditional member state of France. To achieve its full potential in the Czech Republic, the social economy should, therefore, reach at least the same level as in France. It can be said that for these two countries to reach a comparable level, the Czech Republic must go a long way, especially in the legislative area. France has a greater lead in the area of SB than the Czech Republic, which has been caused by a stable legal anchor since 1981, strong public awareness through public statistics and long tradition.

In the Czech Republic, some issues are creating difficulties for the SB, such as the slow process of legal definition, legislative anchoring, and uncertainty about the future of public financial support, lack of political support, lack of recognition by the wider public and lack of SB related statistics. To obtain a better measurement of the development of SB, it is necessary to include SB in national statistics in the Czech Republic, as is the case in France.

Support for SB in the Czech Republic could consist in the creation of a national strategy and action plan that could support this industry both internally by supporting stakeholder debates and externally by supporting and developing more systematic and prioritized activities. The opportunities identified for this study consist of subsidies, benefits from the MLSA and existing organizations supporting SB. Even though SB is more developed in France, SB has also flourished in the last few years in the Czech Republic. Definitions and principles of SB have been developed by TESSEA organisation, which are not yet legally anchored but are already in use. SB is also doing well in the Czech Republic thanks to European funds that support their development.

Concerning EU support for SB, both countries are comparable. Funding opportunities from European funds are available for those SB in certain areas chosen by each country. France uses ESF to combat youth unemployment and older jobseekers by improving their skills. Social inclusion measures are underway in French regions as well as initiatives to promote educational opportunities. The Czech Republic has the same conditions. It uses ESF to support employment, social inclusion, a fairer standard of living and improvement of the education system.

The social economy is undoubtedly a sector that contributes significantly to job creation, sustainable growth and a fairer distribution of income and wealth fare. It is a sector that can combine profitability with social inclusion. And it democratically links public and private systems that provide services tailored to the needs of the socially excluded, the disabled or people in a difficult life situation. Last but not least, it is a stable sector that is not so much affected by economic crises and a sector that is much better than others and is increasingly recognized at European level. However, it is still dependent on external funding such as subsidies from the European Union or individual contributions. We still need to work to make the SB financially independent of this public finances.

## References

- Braudo S., Dictionnaire du droit privé. [2019-14-01]. Retrieved from <https://www.dictionnaire-juridique.com/definition/mutuelle.php>
- Caisl, J., Francová, P., Pajas, P., Deverová, L., (2014). *A map of Social Enterprises and their ecosystems in Europe. Country Report for the Czech Republic*. Great Britain, London: ICF Consulting Services. European Commission. Retrieved from <http://ec.europa.eu/social/BlobServlet?docId=13101&langId=en>
- CIRIEC, *Nedávný vývoj sociální ekonomiky v Evropské unii*. (2017:23). Belgium, Brussel: Evropský hospodářský a sociální výbor [2019-01-04]. Retrieved from <https://www.eesc.europa.eu/sites/default/files/files/qe-04-17-876-cs-n.pdf>
- Cohesion data, Evropská komise. [2019-01-05]. Retrieved from <https://cohesiondata.ec.europa.eu/funds/esf#>
- České sociální podnikání, *Adresář sociálních podniků*. [2019-23-02]. Retrieved from <https://www.ceske-socialni-podnikani.cz/adresar-socialnich-podniku>
- ČSÚ, *Český statistický úřad*. ČR. [2019-01-04]. Retrieved from [https://vdb.czso.cz/vdbvo2/faces/cs/index.jsf?page=vystup-objekt&pvo=ZAM01-B&skupId=426&katalog=30853&pvo=ZAM01-B&str=v467&u=v413\\_VUZEMI\\_97\\_19#w=](https://vdb.czso.cz/vdbvo2/faces/cs/index.jsf?page=vystup-objekt&pvo=ZAM01-B&skupId=426&katalog=30853&pvo=ZAM01-B&str=v467&u=v413_VUZEMI_97_19#w=)
- ČSÚ, *Český statistický úřad*. *Výběrové šetření zdravotně postižených osob – 2013*. ČR. [2019-01-05]. Retrieved from [https://www.czso.cz/documents/10180/20543019/k5\\_260006-14.pdf/a5d429de-3ca1-4604-afe2-5a8b69952f52?version=1.0](https://www.czso.cz/documents/10180/20543019/k5_260006-14.pdf/a5d429de-3ca1-4604-afe2-5a8b69952f52?version=1.0)
- Demoustier, D., Draperi, J.F., Richez-Battesti, N., Lambert, M., Matarin, A. (2017). *Atlas commenté de l'économie sociale et solidaire*. CN CRESS. [2019-10-07]. Retrieved from <https://www.dalloz-bibliotheque.fr/>
- Dohnalová, M. (2006). *Sociální ekonomika v evropském kontextu*. Česká republika, Brno: Akademické nakladatelství CERM v Brně,
- Dohnalová, M., a kolektiv (2009). *Sociální ekonomika - vybrané otázky*. Česká republika, Praha: VÚPSV. Retrieved from [http://praha.vupsv.cz/Fulltext/vz\\_305.pdf](http://praha.vupsv.cz/Fulltext/vz_305.pdf)
- Dupays, B. v Leboucher, S., (2015). [2019-10-06]. Retrieved from [https://lentreprise.lexpress.fr/Czech-Republication-entreprise/etapes-Czech-Republication/entrepreneuriat-social-sept-facons-de-trouver-des-financements\\_1742191.html](https://lentreprise.lexpress.fr/Czech-Republication-entreprise/etapes-Czech-Republication/entrepreneuriat-social-sept-facons-de-trouver-des-financements_1742191.html)

Durand, P., *Esspace des acteurs de l'Économie Sociale et Solidare*. [2018-15-04]. Retrieved from [http://www.esspace.fr/differentes\\_formes\\_juridiques.html](http://www.esspace.fr/differentes_formes_juridiques.html)

ESF, Evropský sociální fond. [2019-05-05]. Retrieved from <http://ec.europa.eu/esf/home.jsp?langId=cs>

Evropská komise (2010). *Sdělení komise Evropa 2020 Strategie pro inteligentní a udržitelný růst podporující začlenění*. Belgie, Brusel. [2019-23-02]. Retrieved from <https://www.mmr.cz/getmedia/7c31b211-1a5a-46a8-b6bd-151b72dc94ec/EU2020-CJ.pdf>

Evropská komise, Evropská unie [2019-13-04]. Retrieved from <https://ec.europa.eu/social/main.jsp?langId=cs&catId=1081>

Evropská komise. (2011). *Communication from the commission to the European Parliament, The Council, The European Economic and Social Committee and The Committee of the regions*. Belgium, Brussel. Retrieved from [http://ec.europa.eu/internal\\_market/social\\_business/docs/COM2011\\_682\\_en.pdf](http://ec.europa.eu/internal_market/social_business/docs/COM2011_682_en.pdf)  
[https://www.vlada.cz/assets/ppov/rnno/dokumenty/studie\\_vyskocil\\_pro\\_web.pdf](https://www.vlada.cz/assets/ppov/rnno/dokumenty/studie_vyskocil_pro_web.pdf)

Chesné, Y., (2016) *L'exemple de la France* <http://www.ess-europe.eu/sites/default/files/publications/files/ed-2016-entreprises-insertion.pdf>

Insee, *L'Institut national de la statistique et des études économiques*, France. [2019-01-05]. Retrieved from <https://www.insee.fr/fr/statistiques/2505833?sommaire=2506122>

IRIS. *Initiative régionale pour l'insertion et la solidarité*. [2018-02-07]. Retrieved from <http://www.iris.asso.fr/index.php/iae/differents-types-de-siae>

La Fédération des entreprises d'insertion. France, Île-de-France. [2019-04-01]. Retrieved from <http://idf.lesentreprisesdinsertion.org/>

Le maintien à domicile (2013). *Les chiffres clés du handicap*. France: Agefiph [2019-01-05]. Retrieved from <http://www.maintienadomicile-conseils.com/cadre-de-vie/les-chiffres-cles-du-handicap>

Le Mouves (2019). *Mouvements des Entrepreneurs Sociaux*. France. [2019-03-06]. Retrieved from <http://mouves.org/>

Les Écossolies (2013). *Travailler dans le secteur culturel et artistique*. France [2019-10-06]. Retrieved from [https://www.ecossolies.fr/IMG/pdf/fiche\\_culture\\_2013.pdf](https://www.ecossolies.fr/IMG/pdf/fiche_culture_2013.pdf)

Loi n° 2014-856 du 31 juillet 2014 relative à l'économie sociale et solidaire

Loi n° 87-517 du 10 juillet 1987 en faveur de l'emploi des travailleurs handicapés

- Loi n°2005-102 du 11 février 2005 - art. 2 (V) pour l'égalité des droits et des chances, la participation et la citoyenneté des personnes handicapées
- Mair (2006) in Yunus, M. (2014: 25). *Social Business. Theory, Practice, and Czech Republic Perspectives*. California, USA: Springer.
- Ministère du Travail. [2019-14-01]. Retrieved from <https://travail-emploi.gouv.fr/emploi/insertion-par-l-activite-economique/article/entreprise-d-insertion-ei>
- Monzón, J. L., Chaves, R., (2012:52). *L'économie sociale dans L'UE*. Belgique, Brusel: Comité économique et social européen. [2019-05-05]. Retrieved from <https://www.eesc.europa.eu/resources/docs/qe-30-12-790-fr-c.pdf>
- MPSV ČR. *České sociální podnikání*. [2018-02-04]. Retrieved from <http://ceske-socialni-podnikani.cz/96-otazky-a-odpovedi/2142-jake-pravni-formy-u-nas-mame-jake-jsou-jejich-vyhody-a-nevyhody.html>
- Observatoire national de l' ESS (2017). *Les sociétés commerciales de l'économie sociale et solidaire : premiers éléments d'analyse*. France. Retrieved from [http://www.cnCzech Republics.org/upload/iedit/12/538\\_2019\\_Societes\\_commerciales\\_de\\_I ESS\\_Premiers\\_elements\\_danalyse\\_CNCZECH REPUBLIC ESS\\_2017.pdf](http://www.cnCzech Republics.org/upload/iedit/12/538_2019_Societes_commerciales_de_I ESS_Premiers_elements_danalyse_CNCZECH REPUBLIC ESS_2017.pdf)
- OCDE (1999). *Les entreprises sociales*. France, Paris: OECD. Retrieved from <https://books.google.cz/books?id=eOrkZpI3yF0C&printsec=frontcover&hl=cs#v=onepage&q&f=false>
- OCDE (2003). *Le secteur à but non lucratif dans une économie en mutation*. France, Paris: OCDE. Retrieved from <https://1url.cz/JMf3Y>
- P3-People, Planet, Profit o.p.s. (2015:3). *Vyhodnocení dotazníkového šetření sociálních podniků v ČR*. Czech Republic, Prague. [2019-23-02]. Retrieved from [http://www.p-p-p.cz/media/com\\_form2content/documents/c1/a22/f48/Socialni\\_podniky\\_setreni\\_2015.pdf](http://www.p-p-p.cz/media/com_form2content/documents/c1/a22/f48/Socialni_podniky_setreni_2015.pdf)
- Pheng Ly v Mouves, rozhovor s podnikatelem (2019). [2019-10-06]. Retrieved from <http://mouves.org/actu-grand-ouest/pheng-ly-fondateur-de-monde-y-gagne/>
- Projet-19. Francie [vid. 2019-10-06]. Retrieved from <http://www.projets19.org/accueil>
- Skála, V. (2019). *Obce a sociální podnikání*. [2019-14-04]. Retrieved from <http://www.dvs.cz/clanek.asp?id=6766782>
- TESSEA. (2018). *Tematická síť pro sociální ekonomiku*. [2018-02-04]. Retrieved from <http://www.tessea.cz/tessea-o-nas/definice-a-principy-socialniho-podnikani>

- UNESCO. *Bangladesh* [2018-02-03]. Retrieved from <https://en.unesco.org/countries/bangladesh>
- Vyskočil, J. (2014). *Podklad pro koncepci politiky vlády vůči NNO do roku 2020*. Czech Republic, Brno: Centrum pro výzkum neziskového sektoru Ekonomicko-správní fakulta Masarykova Univerzita. Retrieved from [https://www.vlada.cz/assets/ppov/rnno/dokumenty/studie\\_vyskocil\\_pro\\_web.pdf](https://www.vlada.cz/assets/ppov/rnno/dokumenty/studie_vyskocil_pro_web.pdf)
- Yunus, M. (2014). *Social Business. Theory, Practice, and Czech Republicital Perspectives*. California, USA: Springer.
- Zákon č. 125/2008 Sb., o přeměnách obchodních společností a družstev
- Zákon č. 248/1995 Sb. Zákon o obecně prospěšných společnostech a o změně a doplnění některých zákonů
- Zákon č. 435/2004 Sb., o zaměstnanosti
- Zákon č. 513/1991 Sb., obchodního zákoníku
- Zákon č. 90/2012 Sb., o obchodních korporacích
- Zukalová, J. *Program EU pro zaměstnanost a sociální inovace (EaSI) –osa Mikrofinancování/sociální podnikání*. MPSV, oddělení Evropské unie. [2019-05-05]. Retrieved from [https://usti.eurocentra.cz/gallery/86/25962-mikrouvery\\_zukalova.pdf](https://usti.eurocentra.cz/gallery/86/25962-mikrouvery_zukalova.pdf)

## **Annexes**

### **Annex 1 – Czech version**

#### **1. Obecné**

- Popište mi prosím v několika slovech váš podnik.
- Proč jste se stal podnikatelem?
- Napadlo Vás někdy podnikat klasicky?

#### **2. Legislativní**

- Jaký druh podniku provozujete (s.r.o., a.s...)?
- Našel byste nějaké výhody a nevýhody v tomto druhu podnikání?
- Co si myslíte o právním ukotvení sociálního podnikání v České republice, je dostačující?

#### **3. Ekonomické**

- Využívá váš podnik nějaké finanční podpory? Pokud ano, bylo to od státu nebo z fondů EU?
- Byla tato podpora pro podnik dostačující?
- Pokud ne, o kolik % by měla podpora být navýšena?
- O jakou podporu se jedná – na zaměstnance, dočasnou, na projekt, na produkt...?
- Podnikal byste i bez finanční podpory?

#### **4. Sociální**

- Vidíte osobně nějakou diskriminaci vůči sociálnímu podnikání vzhledem ke klasickým podnikům? (např. že nemůže generovat zisk atd.)
- Myslíte si, že je sociální podnikání trvale udržitelné?

## **Annex 2 – French version**

### **1. Général**

- Veuillez me décrire en quelques mots votre entreprise?
- Comment et pourquoi êtes-vous devenu(e) entrepreneur(e) social ?
- Est-ce que vous avez pensé à commencer de travailler classiquement?

### **2. Législative**

- Quel type de l'entreprise est votre entreprise et pourquoi? (ex. associations, société coopérative...)
- Veuillez me décrire les avantages et les désavantages de ce type de l'entrepreneuriat ?
- Est-ce que l'entreprise sociale est suffisamment protégée par la loi? Par exemple dans la République tchèque les entreprises sociales ne sont pas de tout traitées par la loi.

### **3. Économique**

- Profitez-vous d'une aide financière externe? Est-ce que il y a des possibilités d'obtenir les finances de l'État ou de l'UE?
- Est-ce que vous êtes content avec les possibilités est le volume?
- Si non, combien de % en plus serait suffisant?
- Il y a quel type des aides financières – par employé, temporaire, par le produit...?
- Entreprenez-vous dans le domaine de l'entreprise sociale sans les aides financières?

### **4. Social**

- Sentez-vous discriminé en comparaison avec l'entreprise classique? Par exemple vous ne pouvez pas générer les revenus.
- Pensez-vous que les entreprises sociales sont durables?



## Tables

**Table 1 Number of employees in social business according to legal forms in France and the Czech Republic in 2009**

	Employees in SB in the Czech Republic	%	Employees in SB in France	%
Cooperatives	58 178	36,3	320 822	13,8
Mutual societies	5 679	3,5	128 710	5,5
Non-profit societies, associations and foundations	96 229	60,1	1 869 012	80,6
<b>Total</b>	<b>160 086</b>	<b>100</b>	<b>2 318 544</b>	<b>100</b>

Source: own processing based on these sources: Monzón, J. L., Chaves, R., (2012:52)

**Table 2 The European Social Funds Budget 2014-2020**

	EUR mld	%
Czech Republic	4 202 555 619	3,5
France	9 810 363 498	8,1
<b>Total EU</b>	<b>120 723 282 076</b>	<b>100</b>

Source: own processing based on these sources: Cohesion data 2019, European Commission

**Table 3 Implementation of projects from the ESF 2014-2020**

	planned	decided	spend
Czech Republic	4 202 555 619	3 004 910 320	1 135 752 750
%	100	72	21
France	9 810 363 498	7 204 877 608	3 686 675 720
%	100	73	38

Source: own processing based on these sources: Cohesion data 2019, European Commission

**Table 4 Employment in France and the Czech Republic the years 2002, 2009 and 2014**

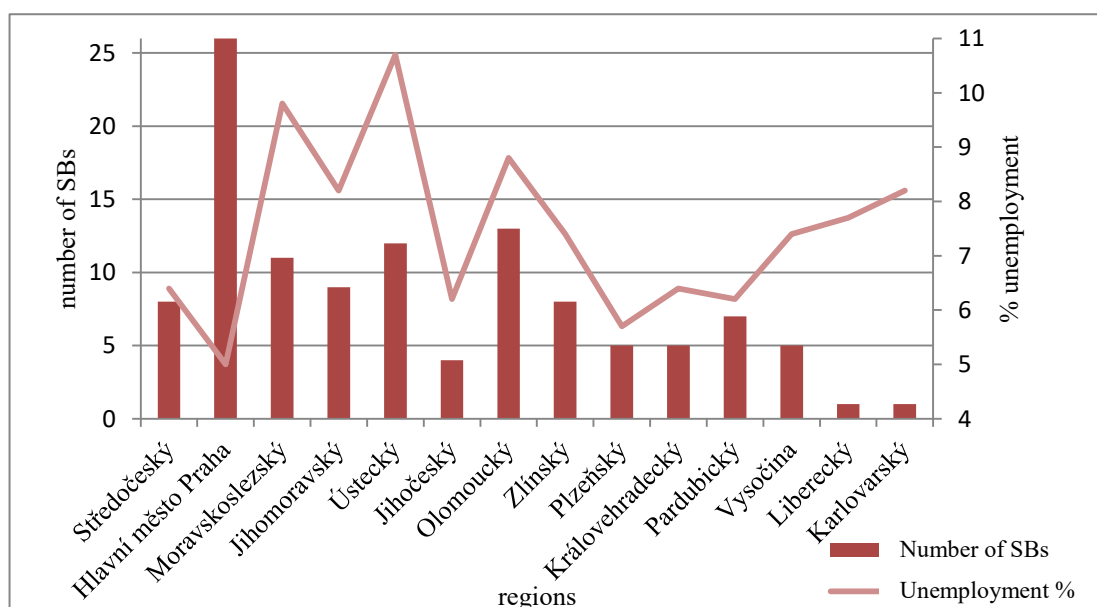
	2002	2009	2014
N° of employees in SB in the Czech Republic	165 221	160 086	162 921
N° of total employees in the Czech Republic	4 764 900	4 934 300	4 974 300
%	3,5	3,3	3,3
GDP Czech Republic €	104 998	153 892	168 903
N° of employees in SB in France	1 985 150	2 318 544	2 372 812
N° of total employees in France	*	20 310 390	26 118 000
%	*	11,4	9,1
GDP France MLD €	1594,3	1939	2 140

Source: own processing based on these sources: CIRIEC (2017:23), ČSÚ, INSEE,

Explanation \*: dates are not available

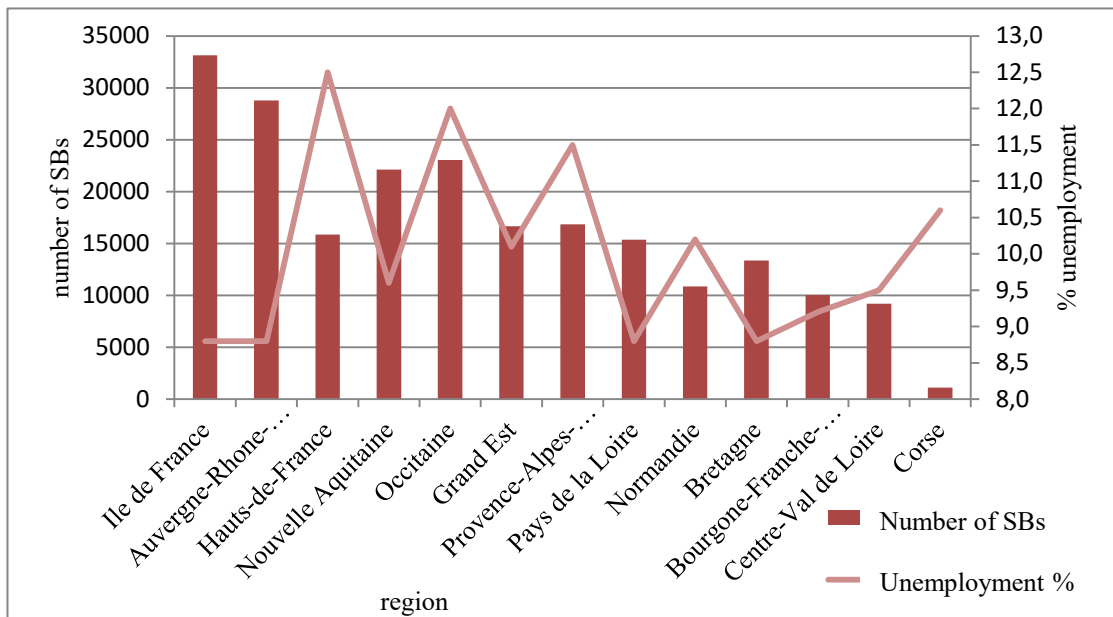
## Graphs

**Graph 1 Number of SBs in regions to unemployment rate in the Czech Republic in 2014**



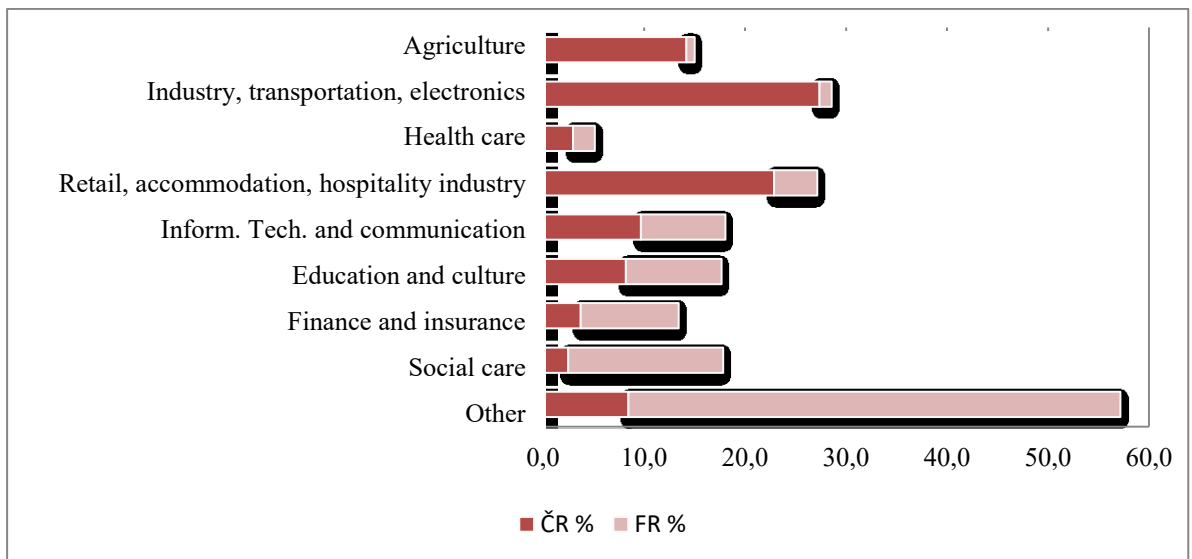
Source: own processing based on these sources: P3-People, Planet, Profit o.p.s. (2014:3), ČSÚ

**Graph 2 Number of SBs in regions to the unemployment rate in France in 2014**



Source: own processing based on these sources: INSEE

**Graph 3 Fields of interest of SB in % in 2014 in the Czech Republic and France**



Source: own processing based on these sources: ČR: Vyskočil (2014: 13), FR: INSEE