

Study paper

Best Practice Examples in Rural NPA areas

What are the biggest challenges for rural social enterprises and what are their top tips for success? In the following you can read about Best Practice Examples and learn more about how social enterprises run their businesses in Finland, Iceland, Ireland, Norway and Sweden. You will learn about what kind of support has been important to them and in which areas they feel they need more support.

MERSE (2024)

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1. Introduction

This study paper provides 15 best practice examples from the five partner countries Finland, Iceland, Ireland, Norway and Sweden who are participating in the NPA project "Business Models Empowering Rural Social Entrepreneurship – voicing the rural norm" (MERSE) which runs from 2023 to 2026. The study paper will provide insights from the social entrepreneur's own experiences on how it is to run a social enterprise in the rural northern peripheral and arctic areas. The best practices were collected and compiled by the MERSE project members who has documented good practice examples from their own regions.

The study paper of best practices aims to give a broad overview of exemplar social enterprises in a range of different sectors operating in the NPA area.

Each project partner in MERSE has identified and documented a diversity of best practice examples of successful social enterprises operating in their region based on a common definition of a successful social enterprise in a rural area as outlined below. The aim was to ensure comparability between countries to allow learning between social enterprises. However, the definition should also allow for adequate flexibility to allow for contextual differences between social enterprises. The information provided has its focus on the social enterprise's social mission, general background, target audiences, business model, critical success factors.

2. What is a successful social enterprise?

We measure the success of social enterprises by their sustainability. To discuss this phenomenon in more detail we have used the three pillars of sustainability – economic, social, and environmental - which are commonly used, when observing different aspects of sustainability (Purvis et al., 2019). With economic sustainability, we mean organisations' capability to survive in the long term. With social sustainability, we mean organisations' impact on people be they internal stakeholder (owners and employees) or external stakeholders (e.g., customers, suppliers, or local communities). With environmental sustainability, we refer to organisations' impact on the biosphere, i.e., plants and animals.

In the MERSE project, we emphasize the economic and social pillar of sustainability. Economic sustainability is important because, an organization cannot be considered successful if it's business cannot be run in the longer term. Positive impact on local community cannot be achieved if a social enterprise burns out its seed money and disappears. Social impact is important because a company can be considered a rural social enterprise only if it has a positive impact on the local community. While environmental sustainability is also important, it should not be considered a focal sampling criterion because MERSE focuses on rural areas and not all environmentally sustainable organisations clearly benefit local communities. For example, a wind power cooperative that is financed primarily by people outside of rural communities might be both economically and environmentally sustainable but is not a suitable best practice example for the MERSE project.

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Below, there are more specific information on how we have evaluated whether an organisation is a suitable best practice candidate for MERSE. However, there are examples who do not fulfill all the criteria.

Economic sustainability

- The social enterprise should be at least two years old. Many companies perish in the first years of operations. Thus, if a company has survived for a couple of years, it is a good proxy of the fact that its business model is economically sustainable. Furthermore, it is also good if one or two of the best practice examples are much older (e.g., more than ten years). Long operations show that an organisation is resilient when conditions change and even in the face of crisis.
- The company should ideally have more than one permanent employee and preferably more than one owner. If the organisation is highly contingent on one person, it's economic sustainability is severely hampered if this person moves or falls ill.
- The organisation should be active and alive. There might be interesting social enterprises that have been active for decades but that are dormant at the moment or that have totally perished. While these are very interesting organisations for our research, they are not good examples for best practice social enterprises because they cannot function well as inspirations.

Social sustainability

- The social enterprise should ideally have positive social sustainability impacts locally both regarding its inputs and outputs. Inputs can include, for example, employing local people or local ethical procurement. Outputs can include important services provided for the local community or economic surplus being paid to local communities or citizens.
- It is not important to aim for maximum scale in social sustainability. In fact, often social enterprises remain at a rather small scale because they seldom deliver products and services that create substantial profits, which in turn would allow scaling up the operations.

Other sampling criteria

- The social enterprises should get part of their money by selling products or services. If they get all their money through the government or through charity, it is hard to imitate their business model, which makes them a suboptimal candidate for a best practice example.

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3. The Best Practice Examples

In the study paper the following 15 best practice examples is presented (table 1). The description of, and links to, the best practice examples can also be found on the MERSE mini website: <https://www.interregnpa.eu/projects/merse/home/>

Table 1. Overview of Best Practice Examples

	Social Enterprise	Website	Country
1	Djupvik central station	https://www.sentralstasjon.no/	Norway
2	Eikra Activity Ltd	www.eikragard.com	Norway
3	Hysnes Neighbourhood Central	www.velferdsbygget.no/sentralen	Norway
4	Maurtuva Growth Farm	www.maurtuva.org	Norway
5	Made In Medelpad	https://madeinmedelpad.se	Sweden
6	Edsele Interest Association	https://www.edsele.se	Sweden
7	RSMH Fjällsjö	http://www.rsmhfjallsjo.se	Sweden
8	Netagerðin creative Workshops	Instagram: netagerdin	Iceland
9	Galdrasýning á Ströndum (Museum of Icelandic Sorcery and Witchcraft)	https://galdrasynings.is/	Iceland
10	Skriða	www.skridabokautgafa.is	Iceland
11	MacDara Co-operative	https://ancheathrurua.ie	Ireland
12	Comharchumann Forbartha Ionad Deirbhile	visitblacksodlighthouses.ie	Ireland
13	The Aran Islands Co-op Recycling Project (Athchursail Árann)	https://www.aranislandsenergycoop.ie	Ireland
14	Tarjoomo osuuskunta (The Provider cooperative)	https://tarjoomo.fi/	Finland
15	Omakylä Vuolenskoski Oy (Own Village Vuolenskoski Ltd.)	http://vuolenskoski.fi/yrittajat/omakylavuolenskoski	Finland

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Best Practice Examples of successful Social Enterprises: Norway

Djupvik central station



Social Mission

Djupvik central station's social mission is:

- To establish a meeting place for the local community with activities and a social sustainable population.
- To achieve synergies between the different organizations and businesses.
- To help people in all ways so they want to live and stay in Djupvik.

Year established: 2022

Numbers employed: 1,5 people

Main Activity

- Trading (cooperatives, collectives, employer-owned)
- Community
- NGO/Charity

Business Structure

- A hybrid organisation

Want to know more?

Best Practice – Djupvik central station

Contact

sentralstasjon@gmail.com

<https://www.sentralstasjon.no/>

Main challenges and obstacles in progressing and developing

- There has been challenges linked to organizing, funding and technical sustainability because of break in electricity.
- There is a need to make the business more sustainable and also for expanding both the meeting place and the grocery store.

Djupvik central station's tips for success

- It is possible to get a sustainable value chain from synergy between different organizations.
- Both business and volunteering benefit from collaboration.
- You just have to use what you have.

"We have a gymnastics room, which is in a lot of use. And then we have a training room that is used a lot. We have quite a few birthdays, then there is a taekwondo club that rents space.

And outside, we have both a ball pit and a small bike track for cross country. And then we have playground equipment."

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Best Practice Examples of successful Social Enterprises: Norway

Eikra Activity Ltd



Social Mission

Eikra Activity is a social enterprise that provides training and employment-oriented programs aimed at people with reduced work capacity and those at risk of prolonged social exclusion, especially youth and non-native speakers.

It is a social enterprise and a non-profit organization that offers services through "Inn på tunet" in Trøndelag and the goal is to promote learning, mastery, development, and well-being.

Year established: 2009

Numbers employed: 6 people

Main Activity

- Community

Business Structure

- A non-profit organization registered in the Volunteer Register

Want to know more?

Best Practice – Eikra Activity Ltd

Contact

veronica@eikra.no

www.eikragard.com

Eikra - Aktiv Medborger

Main challenges and obstacles in progressing and developing

- Predictability in funding.
- Short-term projects with unstable predictability.
- The struggle to avoid the "project graveyard" where good projects stop due to lack of funding.
- Local budget cuts in municipalities where mandatory services are deprioritized, and we are always on the cut list.
- Accusations of being welfare profiteers.
- Access to capital for further development and upgrading of facilities, etc.

Eikra Activity's tips for success

- The combination of specialized expertise, different generations, animals, nature, and a facilitated environment, provided through a farm, has proven effective in promoting mastery and growth among participants.
- Using practical learning in a safe and supportive environment contributes to good progression, personal development, and inclusion.
- Close collaboration with municipal services, professional directorates, administrative agencies, and national competence centers focusing on innovation, impact measurement, and conceptualization has granted us access to several long-term national projects.
- Utilizing external specialized expertise for business development and impact measurement is crucial for success.

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Best Practice Examples of successful Social Enterprises: Norway

Hysnes Neighbourhood central



Social Mission

Hysnes Neighbourhood central's mission is to:

- Establish a meeting place with activities for the local community
- Contribute to a social sustainable population
- Achieve synergies between the different organizations
- Facilitate organizations

Year established: 2022

Numbers employed: 1 person

Main Activity

- NGO/Charity

Business Structure

- Community Development Company
- A hybrid organization

Want to know more?

Best Practice – Hysnes Neighbourhood central

Contact

post@hysnes.no

www.velferdsbygget.no/sentralen

Main challenges and obstacles in progressing and developing

It has been a challenge to:

- Convince the municipality that they should support the business development.

Hysnes Neighbourhood central's tips for success

- It's possible to get a sustainable value chain from synergy between different organizations
- Development of the civic society.
- Good collaboration and mobilization of the population.
 - » Support from the state and the local population has been very helpful.

"I think it is a bit important to bring out this collaboration with the voluntary neighbourhood centre and the like, because it is probably quite fundamental to get good services at the centre."

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Best Practice Examples of successful Social Enterprises: Norway

Maurtuva Growth Farm



Social Mission

Maurtuva Growth Farm is a social entrepreneur that primarily works in the field of dementia, but also offers an alternative learning arena for school students. Our partners are the public sector, and we work with the municipalities' health and care units and schools. Our vision is to contribute to dignified and recognized lives for our participants at the farm.


Year established: 2012

Numbers employed: 3 people

Main Activity

-  Community
-  NGO/Charity

Business Structure

-  We are organized as a non-profit AS (limited liability company)

Want to know more?

Best Practice – Maurtuva Growth Farm

Contact

kjerstin@maurtuva.org

www.maurtuva.org

Main challenges and obstacles in progressing and developing

- That we fall into the sack term "private business" and that many people in public positions equate it with us being welfare profiteers. The understanding of what social entrepreneurship is has great potential for improvement.
- That it is demanding to live on project funding. The predictability is low. Financial insecurity is a major challenge in life as a social entrepreneur.
- Working together with several parties where employees receive their salary if we get a yes or no on an application for project funding, while for us it means the difference between being able to earn a full salary or not.

Maurtuva Growth Farm's tips for success

- Stay true to what you are passionate about.
- Always build networks.
- Invite good people into your vision
- Have a strong team of board members with skills that complement yours.
- Have a partner who makes good money
- The right arena combined with professional competence and personal aptitude.
- Perseverance.
- Have courage to do what you don't really dare undertake and confidence that what you are passionate about is something that is needed.

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Best Practice Examples of successful Social Enterprises: Sweden

Made in Medelpad



Social Mission

Made in Medelpad's social mission is to empower local rural artisans by providing a platform to sell their crafts, fostering sustainable entrepreneurship, and promoting Medelpad's cultural heritage. Through community collaboration, they ensure profits stay local, supporting economic stability and enhancing the region's identity and pride.

With the vision to uplift the landscape of Medelpad through local crafts and sustainable entrepreneurship, Made in Medelpad has created a unique concept for creators and artisans living in rural areas to make a living from their art. The association consists of members who support and develop together by selling their products both in a physical store in Sundsvall and online.

Year established: 2012

Numbers employed: 11 people

Main Activity

■ Trading (cooperatives, collectives, employer-owned)

Business Structure

■ Cooperative

Want to know more?

Best Practice – Made in Medelpad

Contact

butik@madeinmedelpad.se

<https://madeinmedelpad.se>

Main challenges and obstacles in progressing and developing

Challenges

1. Starting and Establishing the Concept
2. Sustainable Income for Artisans
3. Attracting Customers and Members
4. Financial Stability

Solutions

1. Proving the Concept
2. Creating a Strong Business Model
3. Diverse Product Mix and Activities
4. Community Engagement and Support
5. Leveraging Local Resources

Made in Medelpad's tips for success

- The importance of having a strong and inclusive business model.
- The significance of cooperation and shared responsibility to ensure success.
- Creating an attractive and diverse product mix to attract various customers.
- Utilizing local resources and skills to promote sustainable development.
- Building on previous experiences and adjusting strategies based on lessons learned.

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Best Practice Examples of successful Social Enterprises: Sweden

Edsele Interest Association



Social Mission

Edsele Interest Association's mission is to promote and develop the local business, culture, and environment through inclusive leadership, local cooperation, and innovation. The association strives to create a sustainable and vibrant future for Edsele by supporting local initiatives and businesses and preserving essential community services.

Year established: 1992

Numbers employed: The association is relying largely on volunteer work. But through the association's engagement in other operations such as elderly care, bed and breakfast, apartments, school, preschool, and store, up to about 30 people are employed.

Main Activity

- Community

Business Structure

- Cooperative
- Community Development Company
- Umbrella organization for several social enterprises providing food store, petrol, school, pre-school, housing for elderly, culture and sports.

Want to know more?

Best Practice – Edsele Interest Association

Contact

+46623 202 76 or +4670 6976561

<https://www.edsele.se>

Main challenges and obstacles in progressing and developing

- Edsele faced significant challenges, including the risk of closing its school when the dedicated principal moved away, leading to a demoralized board. The community organized an extraordinary meeting, decided to keep the school running, and successfully recruited a new principal and two teachers.
- In February 2023, the village store went bankrupt. The Interest Association raised funds from residents, bought the store premises, and found new operators – a mother and daughter team – who opened Edsele General Store with a loan guarantee from the Micro Fund.
- When the ventilation system at the elderly care facility broke down in summer 2023, the association secured a loan and guarantee from the Micro Fund to finance repairs, overcoming the challenge of limited financial margins.

Edsele Interest Association's tips for success

- The importance of inclusive and engaging leadership to mobilize the local community.
- The significance of having a diversified financial strategy, including volunteer work, local donations, and external grants/loans.
- The flexibility to quickly organize and act on both problems and opportunities that arise.
- Engaging and involving local residents in decisions and initiatives to ensure broad participation and support.
- Creating a strong network of local businesses and associations that together contribute to the sustainability and development of the village.

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Best Practice Examples of successful Social Enterprises: Sweden

RSMH Fjällsjö

Social Mission

RSMH Fjällsjö is a co-operative that promotes social and mental health by creating jobs and including people in the local community.

It started as a reaction to the municipality reducing its support to people discharged from regional psychiatric care and where one person got involved in organising social activities such as communal cooking for people with mental health problems.

The employees have their own stories and backgrounds with different difficulties in the labour market.

Year established: 1997

Numbers employed: 15 people

Main Activity

■ Trading (cooperatives, collectives, employer-owned)

Business Structure

■ Cooperative

Want to know more?

Best Practice – RSMH Fjällsjö

Contact

rsmhfjallsjo@telia.com

<http://www.rsmhfjallsjo.se>

Main challenges and obstacles in progressing and developing

- In a small community, it can be difficult to find certain skills such as chefs.
- It can also be difficult to find people who are willing to participate in board work and take responsibility for managing the social enterprise.
- One challenge that RSMH Fjällsjö is facing now, is how to ensure a generational shift from those who started to new people taking on the responsibility for the future.

RSMH Fjällsjö's tips for success

"The reason why our co-operative works is that we have several legs to stand on, and that we think about what works for the moment."

"I believe that the food and restaurant industry is an excellent sector in which to run a co-operative."

Tore Hansson, founder, and chairman of the co-operative

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Best Practice Examples of successful Social Enterprises: Iceland

Netagerðin creative workshops



Social Mission

Netagerðin creative workshop's social mission is to provide a collaborative space where artists and designers can gather to share ideas, develop their projects, and bring their visions to fruition. It strives to be a cultural and artistic center in the community, promoting creativity and teamwork.

Year established: 2023

Numbers employed: 1 person

Main Activity

■ Trading (cooperatives, collectives, employer-owned)

■ Community

Business Structure

■ Private limited company

Want to know more?

Best Practice – Netagerðin creative workshops

Contact

[Heiðrún Björk Jóhannsdóttir](#)

Instagram: [netagerdin](#)

Main challenges and obstacles in progressing and developing

The biggest challenge has been the financial part.

Netagerðin creative workshop's tips for success

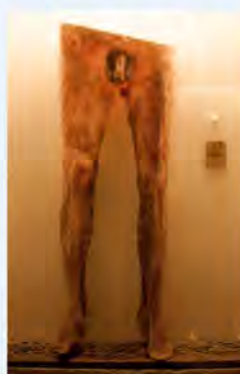
- Starting a coop involves choosing the right:
 - » Business
 - » Structure
- Not doing everything alone
- Ensuring strong financial and (wo)manpower support.
- Positive feedback from the community has been very useful for the development

"Netagerðin's success comes from addressing a clear community need, providing a dedicated space for artists, designers, and entrepreneurs. This space allows for both independent work and collaborative efforts, fostering creativity, teamwork, and strong community ties."

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Best Practice Examples of successful Social Enterprises: Iceland

Museum of Icelandic Sorcery and Witchcraft



Social Mission

Museum of Icelandic Sorcery and Witchcraft is a cultural and educational institution which main aim is to collect information and support research about history of witchcraft and folklore in Iceland and share this information with the exhibition, publishing, lectures and through cooperations with other institutes.

Year established: The exhibition was opened in 2000 and the second part, the sorcerer's cottage, opened in 2005

Numbers employed: 3 people working the whole year (but not fulltime) and during the summertime staff members are 5.

Main Activity

■ NGO/Charity

Business Structure

■ In Iceland it is called a self owning institution which means all profit will go into running the institution and no one can gain or loose on its success or failure. It is similar to NGO but not necessarily for charity but for some other purpose than financial success.

Want to know more?

Best Practice – Museum of Icelandic Sorcery and Witchcraft

Contact

galdrasyning@holmavik.is
<https://galdrasyning.is/>

Main challenges and obstacles in progressing and developing

As a Startup

1. Getting people to believe in the idea and getting funding to start it.
2. To have the grit to last through the first hard years.

As Established

Our business weighs heavily on tourism, so changes there have great affects. The challenges for us are the same for tourism companies in the countryside in Iceland: weather and road conditions, seasonal changes in number of guests, and being far away from where the most tourists travel in Iceland.

Of course, also political changes as in changes in funds have effect on us and have pushed us to find other ways of income, like the restaurant.

Museum of Icelandic Sorcery and Witchcraft's tips for success

- Have a full time manager working on it the whole year who is ambitious, open for new opportunities and cooperations.
- It was also important that there were locals who founded it in the beginning, and were able to work on it in good cooperation with the local community.
- It has also worked good to have a non-profit organisation because that has brought much goodwill.

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Best Practice Examples of successful Social Enterprises: Iceland

Skrida publishing house and print workshop



Social Mission

Skrida publishing house and print workshop's social mission is to enrich the conversation and interest in literature in the countryside, and to have a open space for all who want to create and are interested in arts and bookmaking.

Another social missions is to make bookmaking sustainable, by making all the books in the hometown instead of printing it somewhere else, and to recycle and reuse all paper leftovers for something new.

Year established: 2019

Numbers employed: 1 person

Main Activity

■ Trading (cooperatives, collectives, employer-owned)

Business Structure

■ Sole proprietorship

Want to know more?

Best Practice – Skrida publishing house and print workshop

Contact

birtathorhallsdottir@gmail.com

www.skridabokautgafa.is

Main challenges and obstacles in progressing and developing

As a Startup

The main obstacles are the lack of accessibility to funds for the type of projects Skrida is doing, and the lack of understanding of these type of projects, as well as the importance for the community. As the production level is maybe not promising for profit and the main goal is not to make money but to make space and opportunity for arts and crafts to grow in the community.

As Established

The main obstacles as an established SE would be the daily operation of Skrida, as all the funds Skrida can get are based on holding workshops or events, but not for daily tasks.

Skrida publishing house and print workshop's tips for success

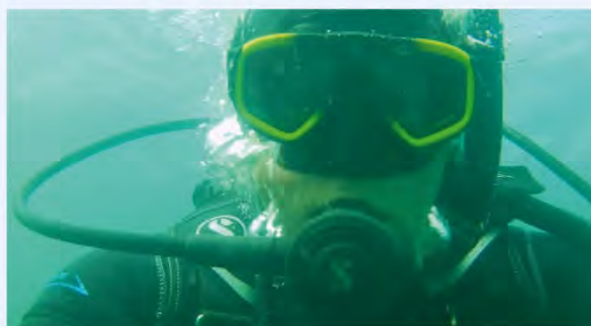
"The main reasons for Skrida's attention and success are Skrida's passion for the craft of bookmaking, printmaking, and arts."

The projects are as sustainable as possible, with good quality, and in conversations with artists and the people of the town. Skrida has been an important community for artists and writers."

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Best Practice Examples of successful Social Enterprises: Ireland

Comharchumann MhicDara (MacDara Co-operative)



Social Mission

MacDara Co-operative's social mission is to develop economic, social and cultural conditions in Carraroe, Ireland.

Year established: 2010

Numbers employed: 3 full time (over 70 employed indirectly)

Main Activity

- The Irish Collage is based at MacDara Co-operative during Easter and Summer
- Scuba diving center
- Local employment schemes looking after the facility

Business Structure

- Cooperative

Want to know more?

Best Practice – Comharchumann MhicDara

Contact

+353 91 869750

<https://ancheathruua.ie>

MacDara Co-operative's tips for success

- The most important thing is to learn from your predecessors, be that from what things that worked for them or things that didn't work.
- Have a good team around you. If you have a strong team all working together, you will succeed.

"The reason MacDara Co-operative has succeeded to date is first and foremost the community themselves. A community that is active in public projects and local development."

"We are lucky that we had a strong committee with experience and an understanding of the work involved and wanted to contribute to their local community."

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Best Practice Examples of successful Social Enterprises: Ireland

Comharchumann Forbartha Ionad Deirbhile



Social Mission

Comharchumann Forbartha Ionad Deirbhile's social mission is to inspire people to visit the area and to showcase it.

It is also to provide employment to local people so that they may tell the story to locals and visitors alike.

Year established: 2019

Numbers employed: 5

Main Activity

- Guiding in the lighthouse and village illustrating the history in the area

Business Structure

- Project supported by the European Union's INTERREG IVA cross-border programme

Want to know more?

Best Practice – Comharchumann Forbartha Ionad Deirbhile

Contact

info@visitblacksodlighthouse.ie
<https://visitblacksodlighthouse.ie>

Comharchumann Forbartha Ionad Deirbhile's tips for success

"The community is with us on this project. They see how special this area is and how hard we are working to showcase it, and they are very happy with the product we have here."

The reason for the success is the passion the local community has for the area, our history, our culture, and for the histories we have here, and to convey those stories to the country and the world."

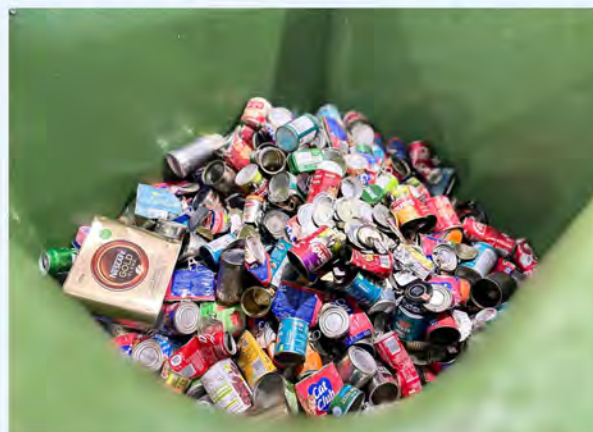
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Best Practice Examples of successful Social Enterprises: Ireland

Athchursail Árann (The Aran Islands Co-op Recycling Project)



Social Mission

The Aran Islands Co-op Recycling Project's social mission is to provide a waste management and recycling service to the community of the three Aran Islands, Ireland and to keep materials they use or recover on the island and reuse again.

Year established: Established in 1999, opened 2001
Numbers employed: 8

Main Activity

- Dealing and reuse waste from the three islands

Business Structure

- Cooperative

Want to know more?

Best Practice – Athchursail Árann

Contact

+353 99 61949
<https://www.aranislandsenergycoop.ie>
Facebook @Athchursail Aran Teoranta
Instagram @athchursail_arann

Main challenges and obstacles in progressing and developing

Challenges

- Rising utilities costs and insurance.

The Aran Islands Co-op Recycling Project's tips for success

- Talk to the people and keep them notified.
- More education about recycling.
- Provide cost-effective service.

"The reason for our courses having success over the years is the local community coming on board with us, working with us in the way we deal with the waste. And of course, our employees over the years that have stayed on the island work with us."

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Best Practice Examples of successful Social Enterprises: Finland

Tarjoomo osuuskunta (The Provider Cooperative)



Social Mission

Tarjoomo's social mission is to support the well-being of elderly people living at home.

Year established: 2020

Numbers employed: 1 (and project part-timers)

Main Activity

- Maintaining and increasing network of local companies providing services for the elderly.
- Maintaining a web-based platform of the same companies.
- Producing and distributing a magazine
- Organising marketing events such as fair for seniors (Seniorimessut)
- Providing the "Senior Friendly Company" course and certification for completing the course.

Business Structure

- Cooperative

Want to know more?

Best Practice – Tarjoomo

Contact

vesa.linnanmaki@tarjoomo.fi
<https://tarjoomo.fi/>

Main challenges and obstacles in progressing and developing

Challenges

1. The enterprise competes with "the grapevine". It is sometimes a bit of a challenge to explain, why Tarjoomo is better because information spreads through word of mouth. This, of course, only applies to the local level but sometimes that's sufficient for the care service providers.
2. Cooperative felt a bit heavy and bureaucratic organisational form at first.

Tarjoomo's tips for success

- The fact that the public sector is ordering the service provides legitimacy in the eyes of the companies in the network.
- It is critical that the business model works for all critical stakeholders. It is very difficult to know what works and what doesn't until the model is tried in practice. Therefore, it is important to co-develop the model with the stakeholders and try to ensure that they remain satisfied.

"We are connected to a very relevant business and megatrend of ageing population, increasing number of elderly living at home connected with tightening healthcare budgets require innovative solutions. Thus, almost everyone finds us interesting, and we do not need to justify why we exist."

Vesa Linnanmäki, Tarjoomo

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Best Practice Examples of successful Social Enterprises: Finland

Omakylä Vuolenkoski Oy (Own Village Vuolenkoski Ltd.)



Social Mission

Omakylä Vuolenkoski's social mission is to foster community and develop the village by supporting local services and local entrepreneurship, as well as strengthening the share capital of the village's limited company.

Year established: 2007

Numbers employed: 0

Main Activity

- Village development (attracting new residents, ensuring the availability of building plots, maintaining and renting out business premises, maintaining and developing infrastructure, improving tourism and village services, supporting the utilization of digitalization, and increasing residents' sense of community and well-being through joint activities).

Business Structure

- Public utility limited liability company

Want to know more?

Best Practice – Omakylä Vuolenkoski Oy

Contact

kylayhdistys@vuolenkoski.fi (village association)
omakyla@vuolenkoski.fi (Own Village Vuolenkoski Ltd.)

<http://vuolenkoski.fi/>

Main challenges and obstacles in progressing and developing

Challenges

1. Main challenges and obstacles are related to the complex legislation of running a business. There is a need for more comprehensive legal guidance to support community-based social entrepreneurship which considers the laws and regulations of association activities that combine with business activities and vice versa.
2. In addition to the funding, there is a need for further networking, information exchange, and peer support to get guidance, advice and best practices.

Omakylä Vuolenkoski's tips for success

- The foundation of village activities is formed upon the people and the existing resources in the village.
- The company's activities must be collective and shared: the village enterprise's operations should not be identified with just one person.
- Promises must be kept gaining trust not only reflects on the methods of collaboration but also influences how funding, for example from the municipality, is granted.
- Running a village company differs from running a village association: the business must tolerate risk-taking and might involve making tough decisions.
- It is important to ensure the continuity of the activities.

"Focusing on obstacles leads to defeat, thinking about solutions leads to success".

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4. Social Enterprise Sustainability

As stated initially in this study paper, in MERSE project success is measured by the sustainability of the social enterprise. That is with economic sustainability, we mean organisations' capability to survive in the long term. With social sustainability, we mean organisations' impact on people be they internal stakeholder (owners and employees) or external stakeholders (e.g., customers, suppliers, or local communities). With environmental sustainability, we refer to organisations' impact on the biosphere, i.e., plants and animals.

4.1 Best Practice advice for success

As the best practice examples in this study paper show, many of the social enterprises experience similar challenges in making the business sustainable regardless of the country in which they operate. The table 2 below display that the main challenge is the financial insecurity and the lack of finance predictability for most social enterprises. Hence, the economic sustainability is difficult to achieve and maintain.

About the social sustainability it seems to be knowledge gaps in the general understanding of the social enterprises business models in the society. However, the best practice examples included in this study paper that have been active for a longer period appear to have achieved sustainable impact in the local community through their collaboration and engagement with the local community. A challenge that seems to exist is that it is difficult to gain social acceptance for the social enterprises' business models. It seems to be a knowledge gap e.g. in the public sector about business models whose business idea is to create social value, which is different from the common business model norm i.e. to create economic value.

In the study paper, there is only one explicit example of best practice regarding environmental sustainability, although it is implicit in several of the examples. The Irish example has over the last 25 years worked to provide a waste management and recycling service to the local community. This social enterprise is a very good example of working successfully to reduce the negative environmental impact on Earth. The number of years in operation shows that their services have had a sustainable impact on both the local environment and people's waste management habits.

Table 2 Best Practice challenges and tips for success

SE	Establ.year Employed	Social mission	Challenges	Tips
Djupvik central station, Norway	2022 1,5 persons	Meeting place	To make the business more sustainable.	Create synergy between organisations. Collaboration. Use what you have.
Eikra Activity Ltd, Norway	2009 6 persons	Training and employment programs for people with reduced work capacity	Living on project funding with financial insecurity and predictability. As a private company be regarded as welfare profiteers.	Combination of specialized expertise, Practical learning in safe and supportive environment, Close collaboration with public sector and agencies,

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				Use of external expertise for development and measurement.
Hysnes Neighbourhood central, Norway	2022 1 person	Meeting place, contribute to social sustainable population and facilitate for organisations.	Lack of support from municipality.	Create synergy between organisations. Support, collaboration and mobilization of the local population.
Martuva Growth Farm, Norway	2012 3 persons	Contribute to dignified and recognized lives for the dementia participants at our farm.	As a private company be regarded as welfare profiteers. Dependence on project funding resulting in financial insecurity and predictability.	Stay true to your passion. Build networks. Invite good people to your vision. Complementing board members. A partner with good money. Combined professional and personal arena. Perservance. Self-efficacy.
Made in Medelpad, Sweden	2012 11 persons	Providing a platform to empower local rural artisans and foster sustainable entrepreneurship to promote cultural heritage.	Sustainable income. Financial stability. Attract customers and members.	Inclusive and strong business model. Cooperation and shared responsibility. Create attractive and diverse product mix. Use local recourses and skills. Adjust strategies based on experience and lessons learned.
Edsele Interest Association, Sweden	1992	Promote and develop local business, culture and environment.	The dismantling of community services	Inclusive and engaging leadership. Diversified financial strategy. Flexible organisation. Engage local residents in decisions. Create a strong business and association network.
RSMH Fjällsjö, Sweden	1997 15 persons	Promote social and mental health in the local community.	Lack of skilled people. Generation shift.	Flexibility of cooperative organisations.
Netageröin creative workshop, Iceland	2023 0 person	A cultural and artistic center in the community, promoting creativity and teamwork.	Finances.	In a cooperative you share the responsibility.
Museum of Icelandic Sorcery and Witchcraft, Iceland	2020 3 persons	Support information and research about history of witchcraft and folklore in Iceland.	Acceptance for the idea. Dependence on tourism. Funding.	A full-time manager. Local cooperation and funding.

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				Non-profit organisations bring goodwill.
Skrída, Iceland	2019 1 person	Open space to enrich the conversation and interest in literature in the countryside and to make bookmaking sustainable.	Funding. Understanding of the business idea.	Passion. Sustainable projects with good quality.
MacDara Co-operative, Ireland	2010 3 persons	To develop economic, social and cultural conditions in Carraroe.		
Comharchumann Forbartha Ionad Deirbhile, Ireland	2019 5 persons	To showcase and inspire people to visit the area.		Community engagement.
The Aran Islands Co-op Recycling Project, Ireland	1999 8 persons	To provide a waste management and recycling service to the community of the three Aran Islands.		Talk to the people and keep them notified. More education about recycling. Give cost-effective service.
Tarjoomo osuuskunta, Finland	2020 1 person	To support the well-being of elderly people living at home.	Explain the value of offered services. Cooperative's heavy and bureaucratic organisational form.	Public sector as customers brings legitimacy. Co-develop the business model with stakeholders.
Omakylä Vuolenkoski, Finland	2007 0 person	To foster community and develop the village by support to local services and entrepreneurship.	Complex legislation for community-based social entrepreneurship.	Activities are collective responsibility. Keep promises. Tolerate risk-taking and tough decisions. Continuity of activities.

The social entrepreneurs provide many good tips and advice for becoming a successful social enterprise. The most important factor for a social enterprise is to include, engage and collaborate with people and organisations in the local community and to include them in the social enterprise's decisions and activities. Other advice given is to build networks, to be flexible and support synergies between organisations and to diversify the funding of the business.

References

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